

Senator Jerry W. Stevenson proposes the following substitute bill:

POLITICAL SUBDIVISIONS AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies and enacts provisions relating to political subdivisions.

Highlighted Provisions:

This bill:

- ▶ authorizes the Utah Inland Port Authority to levy an assessment under the Assessment Area Act and makes provisions of that act applicable to the inland port authority;
- ▶ excludes a public infrastructure district created by the inland port authority from the definition of "taxing entity" applicable to the Utah Inland Port Authority Act;
- ▶ creates enterprise revolving loan funds, to be administered by the Division of Finance, to provide funding for infrastructure projects relating to the Utah Inland Port Authority, the Point of the Mountain State Land Authority, and the Military Installation Development Authority, and enacts provisions governing those funds;
- ▶ provides an exception to Open and Public Meeting Act requirements for electronic meetings held by the boards of the Utah Inland Port Authority and the Point of the Mountain State Land Authority, under certain circumstances;
- ▶ modifies limitations on board members and the executive director of the Utah Inland Port Authority and the Point of the Mountain State Land Authority;



- 26 ▶ authorizes the Utah Inland Port Authority to create public infrastructure districts;
- 27 ▶ defines "public entity" in the context of provisions applicable to the Point of the
- 28 Mountain State Land Authority;
- 29 ▶ modifies election provisions relating to a local district whose board members are
- 30 elected by property owners;
- 31 ▶ makes an exception to a voter approval requirement for general obligation bonds
- 32 issued by a local district whose board members are elected by property owners;
- 33 ▶ modifies a definition related to public infrastructure and improvements in the
- 34 context of provisions applicable to the Military Installation Development Authority;
- 35 and
- 36 ▶ makes technical changes.

37 Money Appropriated in this Bill:

38 None

39 Other Special Clauses:

40 None

41 Utah Code Sections Affected:

42 AMENDS:

- 43 **11-42-102**, as last amended by Laws of Utah 2020, Chapter 282
- 44 **11-42-106**, as last amended by Laws of Utah 2020, Chapter 282
- 45 **11-42-202**, as last amended by Laws of Utah 2020, Chapter 282
- 46 **11-42-411**, as last amended by Laws of Utah 2020, Chapter 282
- 47 **11-58-102**, as last amended by Laws of Utah 2020, Chapter 126
- 48 **11-58-205**, as last amended by Laws of Utah 2020, Chapter 126
- 49 **11-58-304**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1
- 50 **11-59-102**, as enacted by Laws of Utah 2018, Chapter 388
- 51 **11-59-204**, as enacted by Laws of Utah 2018, Chapter 388
- 52 **11-59-306**, as enacted by Laws of Utah 2018, Chapter 388
- 53 **17B-1-306**, as last amended by Laws of Utah 2020, Chapter 31
- 54 **17B-1-1102**, as last amended by Laws of Utah 2019, Chapter 490
- 55 **17B-2a-1202**, as last amended by Laws of Utah 2020, Chapters 282 and 397
- 56 **17B-2a-1205**, as last amended by Laws of Utah 2020, Chapters 282 and 397

57 17B-2a-1206, as last amended by Laws of Utah 2020, Chapter 282

58 63H-1-102, as last amended by Laws of Utah 2020, Chapter 282

59 ENACTS:

60 11-58-106, Utah Code Annotated 1953

61 11-59-104, Utah Code Annotated 1953

62 63A-3-401.5, Utah Code Annotated 1953

63 63A-3-402, Utah Code Annotated 1953

64 63A-3-403, Utah Code Annotated 1953

65 63A-3-404, Utah Code Annotated 1953

66 63H-1-104, Utah Code Annotated 1953

67

68 *Be it enacted by the Legislature of the state of Utah:*

69 Section 1. Section 11-42-102 is amended to read:

70 **11-42-102. Definitions.**

71 (1) As used in this chapter:

72 (a) "Adequate protests" means, for all proposed assessment areas except sewer
73 assessment areas, timely filed, written protests under Section 11-42-203 that represent at least
74 40% of the frontage, area, taxable value, fair market value, lots, number of connections, or
75 equivalent residential units of the property proposed to be assessed, according to the same
76 assessment method by which the assessment is proposed to be levied, after eliminating:

77 (i) protests relating to:

78 (A) property that has been deleted from a proposed assessment area; or

79 (B) an improvement that has been deleted from the proposed improvements to be
80 provided to property within the proposed assessment area; and

81 (ii) protests that have been withdrawn under Subsection 11-42-203(3).

82 (b) "Adequate protests" means, for a proposed sewer assessment area, timely filed,
83 written protests under Section 11-42-203 that represent at least 70% of the frontage, area,
84 taxable value, fair market value, lots, number of connections, or equivalent residential units of
85 the property proposed to be assessed, according to the same assessment method by which the
86 assessment is proposed to be levied, after eliminating adequate protests under Subsection

87 (1)(a).

88 (2) "Assessment area" means an area, or, if more than one area is designated, the
89 aggregate of all areas within a local entity's jurisdictional boundaries that is designated by a
90 local entity under Part 2, Designating an Assessment Area, for the purpose of financing the
91 costs of improvements, operation and maintenance, or economic promotion activities that
92 benefit property within the area.

93 (3) "Assessment bonds" means bonds that are:

94 (a) issued under Section 11-42-605; and

95 (b) payable in part or in whole from assessments levied in an assessment area,
96 improvement revenues, and a guaranty fund or reserve fund.

97 (4) "Assessment fund" means a special fund that a local entity establishes under
98 Section 11-42-412.

99 (5) "Assessment lien" means a lien on property within an assessment area that arises
100 from the levy of an assessment, as provided in Section 11-42-501.

101 (6) "Assessment method" means the method:

102 (a) by which an assessment is levied against benefitted property, whether by frontage,
103 area, taxable value, fair market value, lot, parcel, number of connections, equivalent residential
104 unit, any combination of these methods, or any other method; and

105 (b) that, when applied to a benefitted property, accounts for an assessment that meets
106 the requirements of Section 11-42-409.

107 (7) "Assessment ordinance" means an ordinance adopted by a local entity under
108 Section 11-42-404 that levies an assessment on benefitted property within an assessment area.

109 (8) "Assessment resolution" means a resolution adopted by a local entity under Section
110 11-42-404 that levies an assessment on benefitted property within an assessment area.

111 (9) "Benefitted property" means property within an assessment area that directly or
112 indirectly benefits from improvements, operation and maintenance, or economic promotion
113 activities.

114 (10) "Bond anticipation notes" means notes issued under Section 11-42-602 in
115 anticipation of the issuance of assessment bonds.

116 (11) "Bonds" means assessment bonds and refunding assessment bonds.

117 (12) "Commercial area" means an area in which at least 75% of the property is devoted
118 to the interchange of goods or commodities.

119 (13) (a) "Commercial or industrial real property" means real property used directly or
120 indirectly or held for one of the following purposes or activities, regardless of whether the
121 purpose or activity is for profit:

- 122 (i) commercial;
- 123 (ii) mining;
- 124 (iii) industrial;
- 125 (iv) manufacturing;
- 126 (v) governmental;
- 127 (vi) trade;
- 128 (vii) professional;
- 129 (viii) a private or public club;
- 130 (ix) a lodge;
- 131 (x) a business; or
- 132 (xi) a similar purpose.

133 (b) "Commercial or industrial real property" includes real property that:

- 134 (i) is used as or held for dwelling purposes; and
- 135 (ii) contains more than four rental units.

136 (14) "Connection fee" means a fee charged by a local entity to pay for the costs of
137 connecting property to a publicly owned sewer, storm drainage, water, gas, communications, or
138 electrical system, whether or not improvements are installed on the property.

139 (15) "Contract price" means:

- 140 (a) the cost of acquiring an improvement, if the improvement is acquired; or
- 141 (b) the amount payable to one or more contractors for the design, engineering,
142 inspection, and construction of an improvement.

143 (16) "Designation ordinance" means an ordinance adopted by a local entity under
144 Section [11-42-206](#) designating an assessment area.

145 (17) "Designation resolution" means a resolution adopted by a local entity under
146 Section [11-42-206](#) designating an assessment area.

147 (18) "Development authority" means:

- 148 (a) the Utah Inland Port Authority created in Section [11-58-201](#); or
- 149 (b) the military installation development authority created in Section [63H-1-201](#).

150 [~~(18)~~] (19) "Economic promotion activities" means activities that promote economic
151 growth in a commercial area of a local entity, including:

- 152 (a) sponsoring festivals and markets;
- 153 (b) promoting business investment or activities;
- 154 (c) helping to coordinate public and private actions; and
- 155 (d) developing and issuing publications designed to improve the economic well-being
156 of the commercial area.

157 [~~(19)~~] (20) "Environmental remediation activity" means a surface or subsurface
158 enhancement, effort, cost, initial or ongoing maintenance expense, facility, installation, system,
159 earth movement, or change to grade or elevation that improves the use, function, aesthetics, or
160 environmental condition of publicly owned property.

161 [~~(20)~~] (21) "Equivalent residential unit" means a dwelling, unit, or development that is
162 equal to a single-family residence in terms of the nature of its use or impact on an improvement
163 to be provided in the assessment area.

164 [~~(21)~~] (22) "Governing body" means:

- 165 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 166 (b) for a local district, the board of trustees of the local district;
- 167 (c) for a special service district:
 - 168 (i) the legislative body of the county, city, or town that established the special service
169 district, if no administrative control board has been appointed under Section [17D-1-301](#); or
 - 170 (ii) the administrative control board of the special service district, if an administrative
171 control board has been appointed under Section [17D-1-301](#);
- 172 (d) for the military installation development authority created in Section [63H-1-201](#),
173 the board, as defined in Section [63H-1-102](#); and

- 174 (e) for the Utah Inland Port Authority, created in Section [11-58-201](#), the board, as
175 defined in Section [11-58-102](#).

176 [~~(22)~~] (23) "Guaranty fund" means the fund established by a local entity under Section
177 [11-42-701](#).

178 [~~(23)~~] (24) "Improved property" means property upon which a residential, commercial,
179 or other building has been built.

180 [~~(24)~~] (25) "Improvement":

181 (a) (i) means a publicly owned infrastructure, facility, system, or environmental
182 remediation activity that:

183 (A) a local entity is authorized to provide;

184 (B) the governing body of a local entity determines is necessary or convenient to
185 enable the local entity to provide a service that the local entity is authorized to provide; or

186 (C) a local entity is requested to provide through an interlocal agreement in accordance
187 with Chapter 13, Interlocal Cooperation Act; and

188 (ii) includes facilities in an assessment area, including a private driveway, an irrigation
189 ditch, and a water turnout, that:

190 (A) can be conveniently installed at the same time as an infrastructure, system, or other
191 facility described in Subsection [~~(24)~~] (25)(a)(i); and

192 (B) are requested by a property owner on whose property or for whose benefit the
193 infrastructure, system, or other facility is being installed; or

194 (b) for a local district created to assess groundwater rights in accordance with Section
195 [17B-1-202](#), means a system or plan to regulate groundwater withdrawals within a specific
196 groundwater basin in accordance with Sections [17B-1-202](#) and [73-5-15](#).

197 [~~(25)~~] (26) "Improvement revenues":

198 (a) means charges, fees, impact fees, or other revenues that a local entity receives from
199 improvements; and

200 (b) does not include revenue from assessments.

201 [~~(26)~~] (27) "Incidental refunding costs" means any costs of issuing refunding
202 assessment bonds and calling, retiring, or paying prior bonds, including:

203 (a) legal and accounting fees;

204 (b) charges of financial advisors, escrow agents, certified public accountant verification
205 entities, and trustees;

206 (c) underwriting discount costs, printing costs, the costs of giving notice;

207 (d) any premium necessary in the calling or retiring of prior bonds;

208 (e) fees to be paid to the local entity to issue the refunding assessment bonds and to
209 refund the outstanding prior bonds;

210 (f) any other costs that the governing body determines are necessary and proper to incur
211 in connection with the issuance of refunding assessment bonds; and

212 (g) any interest on the prior bonds that is required to be paid in connection with the
213 issuance of the refunding assessment bonds.

214 ~~[(27)]~~ (28) "Installment payment date" means the date on which an installment
215 payment of an assessment is payable.

216 ~~[(28)]~~ (29) "Interim warrant" means a warrant issued by a local entity under Section
217 11-42-601.

218 ~~[(29)]~~ (30) "Jurisdictional boundaries" means:

219 (a) for a county, the boundaries of the unincorporated area of the county; and

220 (b) for each other local entity, the boundaries of the local entity.

221 ~~[(30)]~~ (31) "Local district" means a local district under Title 17B, Limited Purpose
222 Local Government Entities - Local Districts.

223 ~~[(31)]~~ (32) "Local entity" means:

224 (a) a county, city, town, special service district, or local district;

225 (b) an interlocal entity as defined in Section 11-13-103;

226 (c) the military installation development authority, created in Section 63H-1-201;

227 (d) a public infrastructure district created by ~~[the military installation]~~ a development
228 authority under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act;

229 (e) the Utah Inland Port Authority, created in Section 11-58-201; or

230 (f) any other political subdivision of the state.

231 ~~[(32)]~~ (33) "Local entity obligations" means assessment bonds, refunding assessment
232 bonds, interim warrants, and bond anticipation notes issued by a local entity.

233 ~~[(33)]~~ (34) "Mailing address" means:

234 (a) a property owner's last-known address using the name and address appearing on the
235 last completed real property assessment roll of the county in which the property is located; and

236 (b) if the property is improved property:

237 (i) the property's street number; or

238 (ii) the post office box, rural route number, or other mailing address of the property, if
239 a street number has not been assigned.

240 ~~[(34)]~~ (35) "Net improvement revenues" means all improvement revenues that a local
241 entity has received since the last installment payment date, less all amounts payable by the local
242 entity from those improvement revenues for operation and maintenance costs.

243 [~~(35)~~] (36) "Operation and maintenance costs":

244 (a) means the costs that a local entity incurs in operating and maintaining
245 improvements in an assessment area, whether or not those improvements have been financed
246 under this chapter; and

247 (b) includes service charges, administrative costs, ongoing maintenance charges, and
248 tariffs or other charges for electrical, water, gas, or other utility usage.

249 [~~(36)~~] (37) "Overhead costs" means the actual costs incurred or the estimated costs to
250 be incurred by a local entity in connection with an assessment area for appraisals, legal fees,
251 filing fees, financial advisory charges, underwriting fees, placement fees, escrow, trustee, and
252 paying agent fees, publishing and mailing costs, costs of levying an assessment, recording
253 costs, and all other incidental costs.

254 [~~(37)~~] (38) "Prior assessment ordinance" means the ordinance levying the assessments
255 from which the prior bonds are payable.

256 [~~(38)~~] (39) "Prior assessment resolution" means the resolution levying the assessments
257 from which the prior bonds are payable.

258 [~~(39)~~] (40) "Prior bonds" means the assessment bonds that are refunded in part or in
259 whole by refunding assessment bonds.

260 [~~(40)~~] (41) "Project engineer" means the surveyor or engineer employed by or the
261 private consulting engineer engaged by a local entity to perform the necessary engineering
262 services for and to supervise the construction or installation of the improvements.

263 [~~(41)~~] (42) "Property" includes real property and any interest in real property, including
264 water rights and leasehold rights.

265 [~~(42)~~] (43) "Property price" means the price at which a local entity purchases or
266 acquires by eminent domain property to make improvements in an assessment area.

267 [~~(43)~~] (44) "Provide" or "providing," with reference to an improvement, includes the
268 acquisition, construction, reconstruction, renovation, maintenance, repair, operation, and
269 expansion of an improvement.

270 [~~(44)~~] (45) "Public agency" means:

271 (a) the state or any agency, department, or division of the state; and

272 (b) a political subdivision of the state.

273 [~~(45)~~] (46) "Reduced payment obligation" means the full obligation of an owner of

274 property within an assessment area to pay an assessment levied on the property after the
275 assessment has been reduced because of the issuance of refunding assessment bonds, as
276 provided in Section 11-42-608.

277 ~~[(46)]~~ (47) "Refunding assessment bonds" means assessment bonds that a local entity
278 issues under Section 11-42-607 to refund, in part or in whole, assessment bonds.

279 ~~[(47)]~~ (48) "Reserve fund" means a fund established by a local entity under Section
280 11-42-702.

281 ~~[(48)]~~ (49) "Service" means:

282 (a) water, sewer, storm drainage, garbage collection, library, recreation,
283 communications, or electric service;

284 (b) economic promotion activities; or

285 (c) any other service that a local entity is required or authorized to provide.

286 ~~[(49)]~~ (50) (a) "Sewer assessment area" means an assessment area that has as the
287 assessment area's primary purpose the financing and funding of public improvements to
288 provide sewer service where there is, in the opinion of the local board of health, substantial
289 evidence of septic system failure in the defined area due to inadequate soils, high water table,
290 or other factors proven to cause failure.

291 (b) "Sewer assessment area" does not include property otherwise located within the
292 assessment area:

293 (i) on which an approved conventional or advanced wastewater system has been
294 installed during the previous five calendar years;

295 (ii) for which the local health department has inspected the system described in
296 Subsection ~~[(49)]~~ (50)(b)(i) to ensure that the system is functioning properly; and

297 (iii) for which the property owner opts out of the proposed assessment area for the
298 earlier of a period of 10 calendar years or until failure of the system described in Subsection
299 ~~[(49)]~~ (50)(b)(i).

300 ~~[(50)]~~ (51) "Special service district" means the same as that term is defined in Section
301 17D-1-102.

302 ~~[(51)]~~ (52) "Unassessed benefitted government property" means property that a local
303 entity may not assess in accordance with Section 11-42-408 but is benefitted by an
304 improvement, operation and maintenance, or economic promotion activities.

305 [(52)] (53) "Unimproved property" means property upon which no residential,
306 commercial, or other building has been built.

307 [(53)] (54) "Voluntary assessment area" means an assessment area that contains only
308 property whose owners have voluntarily consented to an assessment.

309 Section 2. Section 11-42-106 is amended to read:

310 **11-42-106. Action to contest assessment or proceeding -- Requirements --**
311 **Exclusive remedy -- Bonds and assessment incontestable.**

312 (1) A person who contests an assessment or any proceeding to designate an assessment
313 area or levy an assessment may commence a civil action against the local entity to:

- 314 (a) set aside a proceeding to designate an assessment area; or
- 315 (b) enjoin the levy or collection of an assessment.

316 (2) (a) Each action under Subsection (1) shall be commenced in the district court with
317 jurisdiction in the county in which the assessment area is located.

318 (b) (i) Except as provided in Subsection (2)(b)(ii), an action under Subsection (1) may
319 not be commenced against and a summons relating to the action may not be served on the local
320 entity more than 60 days after the effective date of the:

- 321 (A) designation resolution or designation ordinance, if the challenge is to the
322 designation of an assessment area;
- 323 (B) assessment resolution or ordinance, if the challenge is to an assessment; or
- 324 (C) amended resolution or ordinance, if the challenge is to an amendment.

325 (ii) The period for commencing an action and serving a summons under Subsection
326 (2)(b)(i) is 30 days if the designation resolution, assessment resolution, or amended resolution
327 was:

- 328 (A) adopted by ~~[the military installation]~~ a development authority~~[-created in Section~~
329 ~~63H-1-201;]~~ or a public infrastructure district created by ~~[the military installation]~~ a
330 development authority under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act;
331 and

332 (B) all owners of property within the assessment area or proposed assessment area
333 consent in writing to the designation resolution, assessment resolution, or amended resolution.

334 (3) (a) An action under Subsection (1) is the exclusive remedy of a person who:

- 335 (i) claims an error or irregularity in an assessment or in any proceeding to designate an

336 assessment area or levy an assessment; or

337 (ii) challenges a bondholder's right to repayment.

338 (b) A court may not hear any complaint under Subsection (1) that a person was
339 authorized to make but did not make in a protest under Section 11-42-203 or at a hearing under
340 Section 11-42-204.

341 (c) (i) If a person has not brought a claim for which the person was previously
342 authorized to bring but is otherwise barred from making under Subsection (2)(b), the claim
343 may not be brought later because of an amendment to the resolution or ordinance unless the
344 claim arises from the amendment itself.

345 (ii) In an action brought pursuant to Subsection (1), a person may not contest a
346 previous decision, proceeding, or determination for which the service deadline described in
347 Subsection (2)(b) has expired by challenging a subsequent decision, proceeding, or
348 determination.

349 (4) An assessment or a proceeding to designate an assessment area or to levy an
350 assessment may not be declared invalid or set aside in part or in whole because of an error or
351 irregularity that does not go to the equity or justice of the proceeding or the assessment meeting
352 the requirements of Section 11-42-409.

353 (5) After the expiration of the period referred to in Subsection (2)(b):

354 (a) assessment bonds and refunding assessment bonds issued or to be issued with
355 respect to an assessment area and assessments levied on property in the assessment area
356 become at that time incontestable against all persons who have not commenced an action and
357 served a summons as provided in this section; and

358 (b) a suit to enjoin the issuance or payment of assessment bonds or refunding
359 assessment bonds, the levy, collection, or enforcement of an assessment, or to attack or
360 question in any way the legality of assessment bonds, refunding assessment bonds, or an
361 assessment may not be commenced, and a court may not inquire into those matters.

362 (6) (a) This section may not be interpreted to insulate a local entity from a claim of
363 misuse of assessment funds after the expiration of the period described in Subsection (2)(b).

364 (b) (i) Except as provided in Subsection (6)(b)(ii), an action in the nature of mandamus
365 is the sole form of relief available to a party challenging the misuse of assessment funds.

366 (ii) The limitation in Subsection (6)(b)(i) does not prohibit the filing of criminal

367 charges against or the prosecution of a party for the misuse of assessment funds.

368 Section 3. Section 11-42-202 is amended to read:

369 **11-42-202. Requirements applicable to a notice of a proposed assessment area**
370 **designation.**

371 (1) Each notice required under Subsection 11-42-201(2)(a) shall:

372 (a) state that the local entity proposes to:

373 (i) designate one or more areas within the local entity's jurisdictional boundaries as an
374 assessment area;

375 (ii) provide an improvement to property within the proposed assessment area; and

376 (iii) finance some or all of the cost of improvements by an assessment on benefitted
377 property within the assessment area;

378 (b) describe the proposed assessment area by any reasonable method that allows an
379 owner of property in the proposed assessment area to determine that the owner's property is
380 within the proposed assessment area;

381 (c) describe, in a general and reasonably accurate way, the improvements to be
382 provided to the assessment area, including:

383 (i) the nature of the improvements; and

384 (ii) the location of the improvements, by reference to streets or portions or extensions
385 of streets or by any other means that the governing body chooses that reasonably describes the
386 general location of the improvements;

387 (d) state the estimated cost of the improvements as determined by a project engineer;

388 (e) for the version of notice mailed in accordance with Subsection (4)(b), state the
389 estimated total assessment specific to the benefitted property for which the notice is mailed;

390 (f) state that the local entity proposes to levy an assessment on benefitted property
391 within the assessment area to pay some or all of the cost of the improvements according to the
392 estimated benefits to the property from the improvements;

393 (g) if applicable, state that an unassessed benefitted government property will receive
394 improvements for which the cost will be allocated proportionately to the remaining benefitted
395 properties within the proposed assessment area and that a description of each unassessed
396 benefitted government property is available for public review at the location or website
397 described in Subsection (6);

398 (h) state the assessment method by which the governing body proposes to calculate the
399 proposed assessment, including, if the local entity is a municipality or county, whether the
400 assessment will be collected:

401 (i) by directly billing a property owner; or

402 (ii) by inclusion on a property tax notice issued in accordance with Section 59-2-1317
403 and in compliance with Section 11-42-401;

404 (i) state:

405 (i) the date described in Section 11-42-203 and the location at which protests against
406 designation of the proposed assessment area or of the proposed improvements are required to
407 be filed;

408 (ii) the method by which the governing body will determine the number of protests
409 required to defeat the designation of the proposed assessment area or acquisition or
410 construction of the proposed improvements; and

411 (iii) in large, boldface, and conspicuous type that a property owner must protest the
412 designation of the assessment area in writing if the owner objects to the area designation or
413 being assessed for the proposed improvements, operation and maintenance costs, or economic
414 promotion activities;

415 (j) state the date, time, and place of the public hearing required in Section 11-42-204;

416 (k) if the governing body elects to create and fund a reserve fund under Section
417 11-42-702, include a description of:

418 (i) how the reserve fund will be funded and replenished; and

419 (ii) how remaining money in the reserve fund is to be disbursed upon full payment of
420 the bonds;

421 (l) if the governing body intends to designate a voluntary assessment area, include a
422 property owner consent form that:

423 (i) estimates the total assessment to be levied against the particular parcel of property;

424 (ii) describes any additional benefits that the governing body expects the assessed
425 property to receive from the improvements;

426 (iii) designates the date and time by which the fully executed consent form is required
427 to be submitted to the governing body; and

428 (iv) if the governing body intends to enforce an assessment lien on the property in

429 accordance with Subsection 11-42-502.1(2)(a)(ii)(C):

430 (A) appoints a trustee that satisfies the requirements described in Section 57-1-21;

431 (B) gives the trustee the power of sale;

432 (C) is binding on the property owner and all successors; and

433 (D) explains that if an assessment or an installment of an assessment is not paid when

434 due, the local entity may sell the property owner's property to satisfy the amount due plus

435 interest, penalties, and costs, in the manner described in Title 57, Chapter 1, Conveyances;

436 (m) if the local entity intends to levy an assessment to pay operation and maintenance

437 costs or for economic promotion activities, include:

438 (i) a description of the operation and maintenance costs or economic promotion

439 activities to be paid by assessments and the initial estimated annual assessment to be levied;

440 (ii) a description of how the estimated assessment will be determined;

441 (iii) a description of how and when the governing body will adjust the assessment to

442 reflect the costs of:

443 (A) in accordance with Section 11-42-406, current economic promotion activities; or

444 (B) current operation and maintenance costs;

445 (iv) a description of the method of assessment if different from the method of

446 assessment to be used for financing any improvement; and

447 (v) a statement of the maximum number of years over which the assessment will be

448 levied for:

449 (A) operation and maintenance costs; or

450 (B) economic promotion activities;

451 (n) if the governing body intends to divide the proposed assessment area into

452 classifications under Subsection 11-42-201(1)(b), include a description of the proposed

453 classifications;

454 (o) if applicable, state the portion and value of the improvement that will be increased

455 in size or capacity to serve property outside of the assessment area and how the increases will

456 be financed; and

457 (p) state whether the improvements will be financed with a bond and, if so, the

458 currently estimated interest rate and term of financing, subject to Subsection (2), for which the

459 benefitted properties within the assessment area may be obligated.

460 (2) The estimated interest rate and term of financing in Subsection (1)(p) may not be
461 interpreted as a limitation to the actual interest rate incurred or the actual term of financing as
462 subject to the market rate at the time of the issuance of the bond.

463 (3) A notice required under Subsection 11-42-201(2)(a) may contain other information
464 that the governing body considers to be appropriate, including:

465 (a) the amount or proportion of the cost of the improvement to be paid by the local
466 entity or from sources other than an assessment;

467 (b) the estimated total amount of each type of assessment for the various improvements
468 to be financed according to the method of assessment that the governing body chooses; and

469 (c) provisions for any improvements described in Subsection
470 11-42-102[(24)](25)(a)(ii).

471 (4) Each notice required under Subsection 11-42-201(2)(a) shall:

472 (a) (i) (A) be published in a newspaper of general circulation within the local entity's
473 jurisdictional boundaries, once a week for four consecutive weeks, with the last publication at
474 least five but not more than 20 days before the day of the hearing required in Section

475 11-42-204; or

476 (B) if there is no newspaper of general circulation within the local entity's jurisdictional
477 boundaries, be posted in at least three public places within the local entity's jurisdictional
478 boundaries at least 20 but not more than 35 days before the day of the hearing required in
479 Section 11-42-204; and

480 (ii) be published on the Utah Public Notice Website described in Section 63F-1-701 for
481 four weeks before the deadline for filing protests specified in the notice under Subsection
482 (1)(i); and

483 (b) be mailed, postage prepaid, within 10 days after the first publication or posting of
484 the notice under Subsection (4)(a) to each owner of property to be assessed within the proposed
485 assessment area at the property owner's mailing address.

486 (5) (a) The local entity may record the version of the notice that is published or posted
487 in accordance with Subsection (4)(a) with the office of the county recorder, by legal description
488 and tax identification number as identified in county records, against the property proposed to
489 be assessed.

490 (b) The notice recorded under Subsection (5)(a) expires and is no longer valid one year

491 after the day on which the local entity records the notice if the local entity has failed to adopt
492 the designation ordinance or resolution under Section 11-42-201 designating the assessment
493 area for which the notice was recorded.

494 (6) A local entity shall make available on the local entity's website, or, if no website is
495 available, at the local entity's place of business, the address and type of use of each unassessed
496 benefitted government property described in Subsection (1)(g).

497 (7) If a governing body fails to provide actual or constructive notice under this section,
498 the local entity may not assess a levy against a benefitted property omitted from the notice
499 unless:

500 (a) the property owner gives written consent;

501 (b) the property owner received notice under Subsection 11-42-401(2)(a)(iii) and did
502 not object to the levy of the assessment before the final hearing of the board of equalization; or

503 (c) the benefitted property is conveyed to a subsequent purchaser and, before the date
504 of conveyance, the requirements of Subsections 11-42-206(3)(a)(i) and (ii), or, if applicable,
505 Subsection 11-42-207(1)(d)(i) are met.

506 Section 4. Section 11-42-411 is amended to read:

507 **11-42-411. Installment payment of assessments.**

508 (1) (a) In an assessment resolution or ordinance, the governing body may, subject to
509 Subsection (1)(b), provide that some or all of the assessment be paid in installments over a
510 period:

511 (i) not to exceed 20 years from the effective date of the resolution or ordinance, except
512 as provided in Subsection (1)(a)(ii); or

513 (ii) not to exceed 30 years from the effective date of the resolution, for a resolution
514 adopted by:

515 (A) [~~the military installation~~] a development authority[~~, created in Section 63H-1-201~~];
516 or

517 (B) a public infrastructure district created by [~~the military installation~~] a development
518 authority under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act.

519 (b) If an assessment resolution or ordinance provides that some or all of the assessment
520 be paid in installments for a period exceeding 10 years from the effective date of the resolution
521 or ordinance, the governing body:

522 (i) shall make a determination that:

523 (A) the improvement for which the assessment is made has a reasonable useful life for
524 the full period during which installments are to be paid; or

525 (B) it would be in the best interests of the local entity and the property owners for
526 installments to be paid for more than 10 years; and

527 (ii) may provide in the resolution or ordinance that no assessment is payable during
528 some or all of the period ending three years after the effective date of the resolution or
529 ordinance.

530 (2) An assessment resolution or ordinance that provides for the assessment to be paid
531 in installments may provide that the unpaid balance be paid over the period of time that
532 installments are payable:

533 (a) in substantially equal installments of principal; or

534 (b) in substantially equal installments of principal and interest.

535 (3) (a) Each assessment resolution or ordinance that provides for the assessment to be
536 paid in installments shall, subject to Subsections (3)(b) and (c), provide that the unpaid balance
537 of the assessment bear interest at a fixed rate, variable rate, or a combination of fixed and
538 variable rates, as determined by the governing body, from the effective date of the resolution or
539 ordinance or another date specified in the resolution or ordinance.

540 (b) If the assessment is for operation and maintenance costs or for the costs of
541 economic promotion activities:

542 (i) a local entity may charge interest only from the date each installment is due; and

543 (ii) the first installment of an assessment shall be due 15 days after the effective date of
544 the assessment resolution or ordinance.

545 (c) If an assessment resolution or ordinance provides for the unpaid balance of the
546 assessment to bear interest at a variable rate, the assessment resolution or ordinance shall
547 specify:

548 (i) the basis upon which the rate is to be determined from time to time;

549 (ii) the manner in which and schedule upon which the rate is to be adjusted; and

550 (iii) a maximum rate that the assessment may bear.

551 (4) Interest payable on assessments may include:

552 (a) interest on assessment bonds;

553 (b) ongoing local entity costs incurred for administration of the assessment area; and

554 (c) any costs incurred with respect to:

555 (i) securing a letter of credit or other instrument to secure payment or repurchase of
556 bonds; or

557 (ii) retaining a marketing agent or an indexing agent.

558 (5) Interest imposed in an assessment resolution or ordinance shall be paid in addition
559 to the amount of each installment annually or at more frequent intervals as provided in the
560 assessment resolution or ordinance.

561 (6) (a) Except for an assessment for operation and maintenance costs or for the costs of
562 economic promotion activities, a property owner may pay some or all of the entire assessment
563 without interest if paid within 25 days after the assessment resolution or ordinance takes effect.

564 (b) After the 25-day period stated in Subsection (6)(a), a property owner may at any
565 time prepay some or all of the assessment levied against the owner's property.

566 (c) A local entity may require a prepayment of an installment to include:

567 (i) an amount equal to the interest that would accrue on the assessment to the next date
568 on which interest is payable on bonds issued in anticipation of the collection of the assessment;
569 and

570 (ii) the amount necessary, in the governing body's opinion or the opinion of the officer
571 designated by the governing body, to assure the availability of money to pay:

572 (A) interest that becomes due and payable on those bonds; and

573 (B) any premiums that become payable on bonds that are called in order to use the
574 money from the prepaid assessment installment.

575 Section 5. Section **11-58-102** is amended to read:

576 **11-58-102. Definitions.**

577 As used in this chapter:

578 (1) "Authority" means the Utah Inland Port Authority, created in Section [11-58-201](#).

579 (2) "Authority jurisdictional land" means land within the authority boundary
580 delineated:

581 (a) in the electronic shapefile that is the electronic component of H.B. 2001, Utah
582 Inland Port Authority Amendments, 2018 Second Special Session; and

583 (b) beginning April 1, 2020, as provided in Subsection [11-58-202](#)(3).

584 (3) "Base taxable value" means:

585 (a) (i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the
586 authority jurisdictional land, the taxable value of authority jurisdictional land in calendar year
587 2018; and

588 (ii) for an area described in Subsection 11-58-601(5), the taxable value of that area in
589 calendar year 2017; or

590 (b) for a project area that consists of land outside the authority jurisdictional land, the
591 taxable value of property within any portion of a project area, as designated by board
592 resolution, from which the property tax differential will be collected, as shown upon the
593 assessment roll last equalized before the year in which the authority adopts a project area plan
594 for that area.

595 (4) "Board" means the authority's governing body, created in Section 11-58-301.

596 (5) "Business plan" means a plan designed to facilitate, encourage, and bring about
597 development of the authority jurisdictional land to achieve the goals and objectives described
598 in Subsection 11-58-203(1), including the development and establishment of an inland port.

599 (6) "Development" means:

600 (a) the demolition, construction, reconstruction, modification, expansion, or
601 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,
602 recreational amenity, or other facility, including publicly owned infrastructure and
603 improvements; and

604 (b) the planning of, arranging for, or participation in any of the activities listed in
605 Subsection (6)(a).

606 (7) "Development project" means a project for the development of land within a
607 project area.

608 (8) "Inland port" means one or more sites that:

609 (a) contain multimodal transportation assets and other facilities that:

610 (i) are related but may be separately owned and managed; and

611 (ii) together are intended to:

612 (A) allow global trade to be processed and altered by value-added services as goods
613 move through the supply chain;

614 (B) provide a regional merging point for transportation modes for the distribution of

615 goods to and from ports and other locations in other regions;

616 (C) provide cargo-handling services to allow freight consolidation and distribution,
617 temporary storage, customs clearance, and connection between transport modes; and

618 (D) provide international logistics and distribution services, including freight
619 forwarding, customs brokerage, integrated logistics, and information systems; and

620 (b) may include a satellite customs clearance terminal, an intermodal facility, a
621 customs pre-clearance for international trade, or other facilities that facilitate, encourage, and
622 enhance regional, national, and international trade.

623 (9) "Inland port use" means a use of land:

624 (a) for an inland port;

625 (b) that directly implements or furthers the purposes of an inland port, as stated in
626 Subsection (8);

627 (c) that complements or supports the purposes of an inland port, as stated in Subsection
628 (8); or

629 (d) that depends upon the presence of the inland port for the viability of the use.

630 (10) "Intermodal facility" means a hub or other facility for trade combining any
631 combination of rail, trucking, air cargo, and other transportation services.

632 (11) "Nonvoting member" means an individual appointed as a member of the board
633 under Subsection 11-58-302(6) who does not have the power to vote on matters of authority
634 business.

635 (12) "Project area" means:

636 (a) the authority jurisdictional land; or

637 (b) land outside the authority jurisdictional land, whether consisting of a single
638 contiguous area or multiple noncontiguous areas, described in a project area plan or draft
639 project area plan, where the development project set forth in the project area plan or draft
640 project area plan takes place or is proposed to take place.

641 (13) "Project area budget" means a multiyear projection of annual or cumulative
642 revenues and expenses and other fiscal matters pertaining to the project area.

643 (14) "Project area plan" means a written plan that, after its effective date, guides and
644 controls the development within a project area.

645 (15) "Property tax" includes a privilege tax and each levy on an ad valorem basis on

646 tangible or intangible personal or real property.

647 (16) "Property tax differential":

648 (a) means the difference between:

649 (i) the amount of property tax revenues generated each tax year by all taxing entities
650 from a project area, using the current assessed value of the property; and

651 (ii) the amount of property tax revenues that would be generated from that same area
652 using the base taxable value of the property; and

653 (b) does not include property tax revenue from:

654 (i) a county additional property tax or multicounty assessing and collecting levy
655 imposed in accordance with Section 59-2-1602;

656 (ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330;

657 or

658 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
659 obligation bond.

660 (17) "Public entity" means:

661 (a) the state, including each department, division, or other agency of the state; or

662 (b) a county, city, town, metro township, school district, local district, special service
663 district, interlocal cooperation entity, community reinvestment agency, or other political
664 subdivision of the state, including the authority.

665 (18) "Publicly owned infrastructure and improvements":

666 (a) means infrastructure, improvements, facilities, or buildings that:

667 (i) benefit the public; and

668 (ii) (A) are owned by a public entity or a utility; or

669 (B) are publicly maintained or operated by a public entity;

670 (b) includes:

671 (i) facilities, lines, or systems that provide:

672 (A) water, chilled water, or steam; or

673 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
674 microgrids, or telecommunications service; and

675 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
676 facilities, and public transportation facilities.

677 (19) "Shapefile" means the digital vector storage format for storing geometric location
678 and associated attribute information.

679 (20) "Taxable value" means the value of property as shown on the last equalized
680 assessment roll.

681 (21) "Taxing entity":

682 (a) means a public entity that levies a tax on property within a project area[-]; and

683 (b) does not include a public infrastructure district that the authority creates under Title
684 17B, Chapter 2a, Part 12, Public Infrastructure District Act.

685 (22) "Voting member" means an individual appointed or designated as a member of the
686 board under Subsection [11-58-302\(2\)](#).

687 Section 6. Section **11-58-106** is enacted to read:

688 **11-58-106. Loan approval committee -- Approval of infrastructure loans.**

689 (1) As used in this section:

690 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).

691 (b) "Infrastructure loan" means the same as that term is defined in Section
692 [63A-3-401.5](#).

693 (c) "Infrastructure project" means the same as that term is defined in Section
694 [63A-3-401.5](#).

695 (d) "Inland port fund" means the same as that term is defined in Section [63A-3-401.5](#).

696 (e) "Loan approval committee" means a committee consisting of:

697 (i) the two board members appointed by the governor;

698 (ii) the board member appointed by the president of the Senate;

699 (iii) the board member appointed by the speaker of the House of Representatives; and

700 (iv) the board member appointed by the chair of the Permanent Community Impact
701 Fund Board.

702 (2) The loan approval committee may approve an infrastructure loan from the inland
703 port fund to a borrower for an infrastructure project undertaken by the borrower.

704 (3) The loan approval committee shall establish the terms of an infrastructure loan in
705 accordance with Section [63A-3-404](#).

706 (4) The loan approval committee may establish policies and guidelines with respect to
707 prioritizing requests for infrastructure loans and approving infrastructure loans.

708 (5) Within 60 days after the execution of an infrastructure loan, the loan approval
709 committee shall report the infrastructure loan, including the loan amount, terms, and security,
710 to the Executive Appropriations Committee.

711 (6) (a) Salaries and expenses of committee members who are legislators shall be paid
712 in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator
713 Compensation.

714 (b) A committee member who is not a legislator may not receive compensation or
715 benefits for the member's service on the committee, but may receive per diem and
716 reimbursement for travel expenses incurred as a committee member at the rates established by
717 the Division of Finance under:

718 (i) Sections 63A-3-106 and 63A-3-107; and

719 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
720 63A-3-107.

721 Section 7. Section 11-58-205 is amended to read:

722 **11-58-205. Applicability of other law -- Cooperation of state and local**
723 **governments -- Municipality to consider board input -- Prohibition relating to natural**
724 **resources -- Inland port as permitted or conditional use -- Municipal services --**
725 **Disclosure by nonauthority governing body member.**

726 (1) Except as otherwise provided in this chapter, the authority does not have and may
727 not exercise any powers relating to the regulation of land uses on the authority jurisdictional
728 land.

729 (2) The authority is subject to and governed by Sections 63E-2-106, 63E-2-107,
730 63E-2-108, 63E-2-109, 63E-2-110, and 63E-2-111, but is not otherwise subject to or governed
731 by Title 63E, Independent Entities Code.

732 (3) A department, division, or other agency of the state and a political subdivision of
733 the state shall cooperate with the authority to the fullest extent possible to provide whatever
734 support, information, or other assistance the board requests that is reasonably necessary to help
735 the authority fulfill its duties and responsibilities under this chapter.

736 (4) In making decisions affecting the authority jurisdictional land, the legislative body
737 of a municipality in which the authority jurisdictional land is located shall consider input from
738 the authority board.

739 (5) (a) No later than December 31, 2018, the ordinances of a municipality with
740 authority jurisdictional land within its boundary shall allow an inland port as a permitted or
741 conditional use, subject to standards that are:

- 742 (i) determined by the municipality; and
- 743 (ii) consistent with the policies and objectives stated in Subsection 11-58-203(1).

744 (b) A municipality whose ordinances do not comply with Subsection (5)(a) within the
745 time prescribed in that subsection shall allow an inland port as a permitted use without regard
746 to any contrary provision in the municipality's land use ordinances.

747 (6) The transporting, unloading, loading, transfer, or temporary storage of natural
748 resources may not be prohibited on the authority jurisdictional land.

749 (7) (a) A municipality whose boundary includes authority jurisdictional land shall
750 provide the same municipal services to the area of the municipality that is within the authority
751 jurisdictional land as the municipality provides to other areas of the municipality with similar
752 zoning and a similar development level.

753 (b) The level and quality of municipal services that a municipality provides within
754 authority jurisdictional land shall be fairly and reasonably consistent with the level and quality
755 of municipal services that the municipality provides to other areas of the municipality with
756 similar zoning and a similar development level.

757 (8) (a) As used in this Subsection (8):

758 (i) "Direct financial benefit" means the same as that term is defined in Section
759 11-58-304.

760 (ii) "Nonauthority governing body member" means a member of the board or other
761 body that has authority to make decisions for a nonauthority government owner.

762 (iii) "Nonauthority government owner" mean a state agency or nonauthority local
763 government entity that owns land that is part of the authority jurisdictional land.

764 (iv) "Nonauthority local government entity":

765 (A) means a county, city, town, metro township, local district, special service district,
766 community reinvestment agency, or other political subdivision of the state; and

767 (B) excludes the authority.

768 (v) "State agency" means a department, division, or other agency or instrumentality of
769 the state, including an independent state agency.

770 (b) A nonauthority governing body member who owns or has a financial interest in
771 land that is part of the authority jurisdictional land or who reasonably expects to receive a
772 direct financial benefit from development of authority jurisdictional land shall submit a written
773 disclosure to the authority board and the nonauthority government owner.

774 (c) A written disclosure under Subsection (8)(b) shall describe, as applicable:

775 (i) the nonauthority governing body member's ownership or financial interest in
776 property that is part of the authority jurisdictional land; and

777 (ii) the direct financial benefit the nonauthority governing body member expects to
778 receive from development of authority jurisdictional land.

779 (d) A nonauthority governing body member required under Subsection (8)(b) to submit
780 a written disclosure shall submit the disclosure no later than 30 days after:

781 (i) the nonauthority governing body member:

782 (A) acquires an ownership or financial interest in property that is part of the authority
783 jurisdictional land; or

784 (B) first knows that the nonauthority governing body member expects to receive a
785 direct financial benefit from the development of authority jurisdictional land; or

786 (ii) the effective date of this Subsection (8), if that date is later than the period
787 described in Subsection (8)(d)(i).

788 (e) A written disclosure submitted under this Subsection (8) is a public record.

789 (9) The authority is subject to Title 52, Chapter 4, Open and Public Meetings Act,
790 except that for an electronic meeting of the authority board that otherwise complies with
791 Section 52-4-207, the authority board:

792 (a) is not required to establish an anchor location; and

793 (b) may convene and conduct the meeting without the written determination otherwise
794 required under Subsection 52-4-207(4).

795 Section 8. Section 11-58-304 is amended to read:

796 **11-58-304. Limitations on board members and executive director.**

797 (1) As used in this section:

798 (a) "Direct financial benefit":

799 (i) means any form of financial benefit that accrues to an individual directly, including:

800 (A) compensation, commission, or any other form of a payment or increase of money;

801 and

802 (B) an increase in the value of a business or property; and

803 (ii) does not include a financial benefit that accrues to the public generally.

804 (b) "Family member" means a parent, spouse, sibling, child, or grandchild.

805 (2) An individual may not serve as a voting member of the board or as executive
806 director if:

807 (a) the individual owns real property, other than a personal residence in which the
808 individual resides, [~~on or within five miles of the authority jurisdictional land~~] within a project
809 area, whether or not the ownership interest is a recorded interest;

810 (b) a family member of the individual owns an interest in real property, other than a
811 personal residence in which the family member resides, located [~~on or within one-half mile of~~
812 ~~the authority jurisdictional land~~] within a project area; or

813 (c) the individual or a family member of the individual owns an interest in, is directly
814 affiliated with, or is an employee or officer of a private firm, private company, or other private
815 entity that the individual reasonably believes is likely to:

816 (i) participate in or receive a direct financial benefit from the development of the
817 authority jurisdictional land; or

818 (ii) acquire an interest in or locate a facility [~~on the authority jurisdictional land~~] within
819 a project area.

820 (3) Before taking office as a voting member of the board or accepting employment as
821 executive director, an individual shall submit to the authority:

822 (a) a statement verifying that the individual's service as a board member or
823 employment as executive director does not violate Subsection (2); or

824 (b) for an individual to whom Subsection 11-58-302(8) applies, the disclosure required
825 under that subsection.

826 (4) (a) An individual may not, at any time during the individual's service as a voting
827 member or employment with the authority, acquire, or take any action to initiate, negotiate, or
828 otherwise arrange for the acquisition of, an interest in real property located [~~on or within five~~
829 ~~miles of the authority jurisdictional land~~] within a project area, if:

830 (i) the acquisition is in the individual's personal capacity or in the individual's capacity
831 as an employee or officer of a private firm, private company, or other private entity; and

832 (ii) the acquisition will enable the individual to receive a direct financial benefit as a
833 result of the development of the [~~authority jurisdictional land~~] project area.

834 (b) Subsection (4)(a) does not apply to an individual's acquisition of, or action to
835 initiate, negotiate, or otherwise arrange for the acquisition of, an interest in real property that is
836 a personal residence in which the individual will reside upon acquisition of the real property.

837 (5) (a) A voting member or nonvoting member of the board or an employee of the
838 authority may not receive a direct financial benefit from the development of [~~authority~~
839 ~~jurisdictional land~~] a project area.

840 (b) For purposes of Subsection (5)(a), a direct financial benefit does not include:

841 (i) expense reimbursements;

842 (ii) per diem pay for board member service, if applicable; or

843 (iii) an employee's compensation or benefits from employment with the authority.

844 (6) Nothing in this section may be construed to affect the application or effect of any
845 other code provision applicable to a board member or employee relating to ethics or conflicts
846 of interest.

847 Section 9. Section **11-59-102** is amended to read:

848 **11-59-102. Definitions.**

849 As used in this chapter:

850 (1) "Authority" means the Point of the Mountain State Land Authority, created in
851 Section **11-59-201**.

852 (2) "Board" means the authority's board, created in Section **11-59-301**.

853 (3) "Development":

854 (a) means the construction, reconstruction, modification, expansion, or improvement of
855 a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or
856 other facility, including:

857 (i) the demolition or preservation or repurposing of a building, infrastructure, or other
858 facility;

859 (ii) surveying, testing, locating existing utilities and other infrastructure, and other
860 preliminary site work; and

861 (iii) any associated planning, design, engineering, and related activities; and

862 (b) includes all activities associated with:

- 863 (i) marketing and business recruiting activities and efforts;
- 864 (ii) leasing, or selling or otherwise disposing of, all or any part of the point of the
865 mountain state land; and
- 866 (iii) planning and funding for mass transit infrastructure to service the point of the
867 mountain state land.
- 868 (4) "New correctional facility" means the state correctional facility being developed in
869 Salt Lake City to replace the state correctional facility in Draper.
- 870 (5) "Point of the mountain state land" means the approximately 700 acres of
871 state-owned land in Draper, including land used for the operation of a state correctional facility
872 until completion of the new correctional facility and state-owned land in the vicinity of the
873 current state correctional facility.
- 874 (6) "Public entity" means:
- 875 (a) the state, including each department, division, or other agency of the state; or
- 876 (b) a county, city, town, metro township, school district, local district, special service
877 district, interlocal cooperation entity, community reinvestment agency, or other political
878 subdivision of the state, including the authority.
- 879 Section 10. Section **11-59-104** is enacted to read:
- 880 **11-59-104. Loan approval committee -- Approval of infrastructure loans.**
- 881 (1) As used in this section:
- 882 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).
- 883 (b) "Infrastructure loan" means the same as that term is defined in Section
884 [63A-3-401.5](#).
- 885 (c) "Infrastructure project" means the same as that term is defined in Section
886 [63A-3-401.5](#).
- 887 (d) "Point of the mountain fund" means the same as that term is defined in Section
888 [63A-3-401.5](#).
- 889 (e) "Loan approval committee" means a committee consisting of:
- 890 (i) the board member:
- 891 (A) who is a member of the Senate appointed under Subsection [11-59-302\(2\)\(a\)](#); and
- 892 (B) whose Senate district is closer to the boundary of the point of the mountain state
893 land than is the Senate district of the other member of the Senate appointed under Subsection

894 [11-59-302\(2\)\(a\)](#);

895 (ii) the board member:

896 (A) who is a member of the House of Representatives appointed under Subsection

897 [11-59-302\(2\)\(b\)](#); and

898 (B) whose House district is closer to the boundary of the point of the mountain state

899 land than is the House district of the other member of the House of Representatives appointed

900 under Subsection [11-59-302\(2\)\(b\)](#);

901 (iii) the board member who is appointed by the governor under Subsection

902 [11-59-302\(2\)\(c\)\(i\)](#);

903 (iv) the board member who is appointed by the governor under Subsection

904 [11-59-302\(2\)\(c\)\(ii\)](#); and

905 (v) the board member who is the mayor of Draper or a member of the Draper city

906 council.

907 (2) The loan approval committee may approve an infrastructure loan from the point of

908 the mountain fund to a borrower for an infrastructure project undertaken by the borrower.

909 (3) The loan approval committee shall establish the terms of an infrastructure loan in

910 accordance with Section [63A-3-404](#).

911 (4) The loan approval committee may establish policies and guidelines with respect to

912 prioritizing requests for infrastructure loans and approving infrastructure loans.

913 (5) Within 60 days after the execution of an infrastructure loan, the loan approval

914 committee shall report the infrastructure loan, including the loan amount, terms, and security,

915 to the Executive Appropriations Committee.

916 (6) (a) Salaries and expenses of committee members who are legislators shall be paid

917 in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator

918 Compensation.

919 (b) A committee member who is not a legislator may not receive compensation or

920 benefits for the member's service on the committee, but may receive per diem and

921 reimbursement for travel expenses incurred as a committee member at the rates established by

922 the Division of Finance under:

923 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

924 (ii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and

925 [63A-3-107](#).

926 Section 11. Section **11-59-204** is amended to read:

927 **11-59-204. Applicability of other law -- Coordination with municipality.**

928 (1) The authority and the point of the mountain state land are not subject to:

929 (a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or

930 (b) the jurisdiction of a local district under Title 17B, Limited Purpose Local

931 Government Entities - Local Districts, or a special service district under Title 17D, Chapter 1,
932 Special Service District Act, except to the extent that:

933 (i) some or all of the point of the mountain state land is, on May 8, 2018, included
934 within the boundary of a local district or special service district; and

935 (ii) the authority elects to receive service from the local district or special service
936 district for the point of the mountain state land that is included within the boundary of the local
937 district or special service district, respectively.

938 (2) In formulating and implementing a development plan for the point of the mountain
939 state land, the authority shall consult with officials of the municipality within which the point
940 of the mountain state land is located on planning and zoning matters.

941 (3) The authority is subject to and governed by Sections [63E-2-106](#), [63E-2-107](#),
942 [63E-2-108](#), [63E-2-109](#), [63E-2-110](#), and [63E-2-111](#), but is not otherwise subject to or governed
943 by Title 63E, Independent Entities Code.

944 (4) Nothing in this chapter may be construed to remove the point of the mountain state
945 land from the service area of the municipality in which the point of the mountain state land is
946 located, for purposes of water, sewer, and other similar municipal services currently being
947 provided.

948 (5) The authority is subject to Title 52, Chapter 4, Open and Public Meetings Act,
949 except that for an electronic meeting of the authority board that otherwise complies with
950 Section [52-4-207](#), the authority board:

951 (a) is not required to establish an anchor location; and

952 (b) may convene and conduct the meeting without the written determination otherwise
953 required under Subsection [52-4-207](#)(4).

954 Section 12. Section **11-59-306** is amended to read:

955 **11-59-306. Limitations on board members.**

- 956 (1) As used in this section:
- 957 (a) "Direct financial benefit":
- 958 (i) means any form of financial benefit that accrues to an individual directly as a result
- 959 of the development of the point of the mountain state land, including:
- 960 (A) compensation, commission, or any other form of a payment or increase of money;
- 961 and
- 962 (B) an increase in the value of a business or property; and
- 963 (ii) does not include a financial benefit that accrues to the public generally as a result of
- 964 the development of the point of the mountain state land.
- 965 (b) "Family member" means a parent, spouse, sibling, child, or grandchild.
- 966 (c) "Interest in real property" means every type of real property interest, whether
- 967 recorded or unrecorded, including:
- 968 (i) a legal or equitable interest;
- 969 (ii) an option on real property;
- 970 (iii) an interest under a contract;
- 971 (iv) fee simple ownership;
- 972 (v) ownership as a tenant in common or in joint tenancy or another joint ownership
- 973 arrangement;
- 974 (vi) ownership through a partnership, limited liability company, or corporation that
- 975 holds title to a real property interest in the name of the partnership, limited liability company,
- 976 or corporation;
- 977 (vii) leasehold interest; and
- 978 (viii) any other real property interest that is capable of being owned.
- 979 (2) An individual may not serve as a member of the board if:
- 980 (a) the individual owns an interest in real property, other than a personal residence in
- 981 which the individual resides, [~~within five miles of~~] that is part of the point of the mountain
- 982 state land;
- 983 (b) a family member of the individual owns an interest in real property, other than a
- 984 personal residence in which the family member resides, [~~located within one-half mile of~~] that is
- 985 part of the point of the mountain state land; or
- 986 (c) the individual or a family member of the individual owns an interest in, is directly

987 affiliated with, or is an employee or officer of a firm, company, or other entity that the
988 individual reasonably believes is likely to participate in or receive compensation or other direct
989 financial benefit from the development of the point of the mountain state land.

990 (3) Before taking office as a board member, an individual shall submit to the authority
991 a statement verifying that the individual's service as a board member does not violate
992 Subsection (2).

993 (4) A board member may not, at any time during the board member's service on the
994 board, take any action to initiate, negotiate, or otherwise arrange for the acquisition of an
995 interest in real property [~~located within five miles of~~] that is part of the point of the mountain
996 state land.

997 (5) (a) The board may not allow a firm, company, or other entity to participate in
998 planning, managing, or implementing the development of the point of the mountain state land
999 if a board member or a family member of a board member owns an interest in, is directly
1000 affiliated with, or is an employee or officer of the firm, company, or other entity.

1001 (b) Before allowing a firm, company, or other entity to participate in planning,
1002 managing, or implementing the development of the point of the mountain state land, the board
1003 may require the firm, company, or other entity to certify that no board member or family
1004 member of a board member owns an interest in, is directly affiliated with, or is an employee or
1005 officer of the firm, company, or other entity.

1006 Section 13. Section **17B-1-306** is amended to read:

1007 **17B-1-306. Local district board -- Election procedures.**

1008 (1) Except as provided in Subsection (12), each elected board member shall be selected
1009 as provided in this section.

1010 (2) (a) Each election of a local district board member shall be held:

1011 (i) at the same time as the municipal general election or the regular general election, as
1012 applicable; and

1013 (ii) at polling places designated by the local district board in consultation with the
1014 county clerk for each county in which the local district is located, which polling places shall
1015 coincide with municipal general election or regular general election polling places, as
1016 applicable, whenever feasible.

1017 (b) The local district board, in consultation with the county clerk, may consolidate two

1018 or more polling places to enable voters from more than one district to vote at one consolidated
1019 polling place.

1020 (c) (i) Subject to Subsections (5)(h) and (i), the number of polling places under
1021 Subsection (2)(a)(ii) in an election of board members of an irrigation district shall be one
1022 polling place per division of the district, designated by the district board.

1023 (ii) Each polling place designated by an irrigation district board under Subsection
1024 (2)(c)(i) shall coincide with a polling place designated by the county clerk under Subsection
1025 (2)(a)(ii).

1026 (3) The clerk of each local district with a board member position to be filled at the next
1027 municipal general election or regular general election, as applicable, shall provide notice of:

1028 (a) each elective position of the local district to be filled at the next municipal general
1029 election or regular general election, as applicable;

1030 (b) the constitutional and statutory qualifications for each position; and

1031 (c) the dates and times for filing a declaration of candidacy.

1032 (4) The clerk of the local district shall publish the notice described in Subsection (3):

1033 (a) by posting the notice on the Utah Public Notice Website created in Section

1034 [63F-1-701](#), for 10 days before the first day for filing a declaration of candidacy; and

1035 (b) (i) by posting the notice in at least five public places within the local district at least
1036 10 days before the first day for filing a declaration of candidacy; or

1037 (ii) publishing the notice:

1038 (A) in a newspaper of general circulation within the local district at least three but no
1039 more than 10 days before the first day for filing a declaration of candidacy;

1040 (B) in accordance with Section [45-1-101](#), for 10 days before the first day for filing a
1041 declaration of candidacy; and

1042 (c) if the local district has a website, on the local district's website for 10 days before
1043 the first day for filing a declaration of candidacy.

1044 (5) (a) Except as provided in Subsection (5)(c), to become a candidate for an elective
1045 local district board position, an individual shall file a declaration of candidacy in person with
1046 an official designated by the local district, during office hours, within the candidate filing
1047 period for the applicable election year in which the election for the local district board is held.

1048 (b) When the candidate filing deadline falls on a Saturday, Sunday, or holiday, the

1049 filing time shall be extended until the close of normal office hours on the following regular
1050 business day.

1051 (c) Subject to Subsection (5)(f), an individual may designate an agent to file a
1052 declaration of candidacy with the official designated by the local district if:

1053 (i) the individual is located outside of the state during the entire filing period;

1054 (ii) the designated agent appears in person before the official designated by the local
1055 district; and

1056 (iii) the individual communicates with the official designated by the local district using
1057 an electronic device that allows the individual and official to see and hear each other.

1058 (d) (i) Before the filing officer may accept any declaration of candidacy from an
1059 individual, the filing officer shall:

1060 (A) read to the individual the constitutional and statutory qualification requirements for
1061 the office that the individual is seeking; and

1062 (B) require the individual to state whether the individual meets those requirements.

1063 (ii) If the individual does not meet the qualification requirements for the office, the
1064 filing officer may not accept the individual's declaration of candidacy.

1065 (iii) If it appears that the individual meets the requirements of candidacy, the filing
1066 officer shall accept the individual's declaration of candidacy.

1067 (e) The declaration of candidacy shall be in substantially the following form:

1068 "I, (print name) _____, being first duly sworn, say that I reside at (Street)
1069 _____, City of _____, County of _____, state of Utah, (Zip
1070 Code) _____, (Telephone Number, if any) _____; that I meet the qualifications for the
1071 office of board of trustees member for _____ (state the name of the local
1072 district); that I am a candidate for that office to be voted upon at the next election; and that, if
1073 filing via a designated agent, I will be out of the state of Utah during the entire candidate filing
1074 period, and I hereby request that my name be printed upon the official ballot for that election.

1075 (Signed) _____

1076 Subscribed and sworn to (or affirmed) before me by _____ on this _____ day
1077 of _____, _____.

1078 (Signed) _____

1079 (Clerk or Notary Public)";

1080 (f) An agent designated under Subsection (5)(c) may not sign the form described in
1081 Subsection (5)(e).

1082 (g) Each individual wishing to become a valid write-in candidate for an elective local
1083 district board position is governed by Section 20A-9-601.

1084 (h) If at least one individual does not file a declaration of candidacy as required by this
1085 section, an individual shall be appointed to fill that board position in accordance with the
1086 appointment provisions of Section 20A-1-512.

1087 (i) If only one candidate files a declaration of candidacy and there is no write-in
1088 candidate who complies with Section 20A-9-601, the board, in accordance with Section
1089 20A-1-206, may:

- 1090 (i) consider the candidate to be elected to the position; and
- 1091 (ii) cancel the election.

1092 (6) (a) A primary election may be held if:

- 1093 (i) the election is authorized by the local district board; and
- 1094 (ii) the number of candidates for a particular local board position or office exceeds
1095 twice the number of persons needed to fill that position or office.

1096 (b) The primary election shall be conducted:

- 1097 (i) on the same date as the municipal primary election or the regular primary election,
1098 as applicable; and
- 1099 (ii) according to the procedures for primary elections provided under Title 20A,
1100 Election Code.

1101 (7) (a) Except as provided in Subsection (7)(c), within one business day after the
1102 deadline for filing a declaration of candidacy, the local district clerk shall certify the candidate
1103 names to the clerk of each county in which the local district is located.

1104 (b) (i) Except as provided in Subsection (7)(c) and in accordance with Section
1105 20A-6-305, the clerk of each county in which the local district is located and the local district
1106 clerk shall coordinate the placement of the name of each candidate for local district office in
1107 the nonpartisan section of the ballot with the appropriate election officer.

1108 (ii) If consolidation of the local district election ballot with the municipal general
1109 election ballot or the regular general election ballot, as applicable, is not feasible, the local
1110 district board of trustees, in consultation with the county clerk, shall provide for a separate

1111 local district election ballot to be administered by poll workers at polling locations designated
1112 under Subsection (2).

1113 (c) (i) Subsections (7)(a) and (b) do not apply to an election of a member of the board
1114 of an irrigation district established under Chapter 2a, Part 5, Irrigation District Act.

1115 (ii) (A) Subject to Subsection (7)(c)(ii)(B), the board of each irrigation district shall
1116 prescribe the form of the ballot for each board member election.

1117 (B) Each ballot for an election of an irrigation district board member shall be in a
1118 nonpartisan format.

1119 (C) The name of each candidate shall be placed on the ballot in the order specified
1120 under Section 20A-6-305.

1121 (8) (a) Each voter at an election for a board of trustees member of a local district shall:

1122 (i) be a registered voter within the district, except for an election of:

1123 (A) an irrigation district board of trustees member; or

1124 (B) a basic local district board of trustees member who is elected by property owners;

1125 and

1126 (ii) meet the requirements to vote established by the district.

1127 (b) Each voter may vote for as many candidates as there are offices to be filled.

1128 (c) The candidates who receive the highest number of votes are elected.

1129 (9) Except as otherwise provided by this section, the election of local district board
1130 members is governed by Title 20A, Election Code.

1131 (10) (a) Except as provided in Subsection 17B-1-303(8), a person elected to serve on a
1132 local district board shall serve a four-year term, beginning at noon on the January 1 after the
1133 person's election.

1134 (b) A person elected shall be sworn in as soon as practical after January 1.

1135 (11) (a) Except as provided in Subsection (11)(b), each local district shall reimburse
1136 the county or municipality holding an election under this section for the costs of the election
1137 attributable to that local district.

1138 (b) Each irrigation district shall bear ~~[its]~~ the district's own costs of each election ~~[it]~~
1139 the district holds under this section.

1140 (12) This section does not apply to an improvement district that provides electric or gas
1141 service.

1142 (13) Except as provided in Subsection 20A-3a-605(1)(b), the provisions of Title 20A,
1143 Chapter 3a, Part 6, Early Voting, do not apply to an election under this section.

1144 (14) (a) As used in this Subsection (14), "board" means:

1145 (i) a local district board; or

1146 (ii) the administrative control board of a special service district that has elected
1147 members on the board.

1148 (b) A board may hold elections for membership on the board at a regular general
1149 election instead of a municipal general election if the board submits an application to the
1150 lieutenant governor that:

1151 (i) requests permission to hold elections for membership on the board at a regular
1152 general election instead of a municipal general election; and

1153 (ii) indicates that holding elections at the time of the regular general election is
1154 beneficial, based on potential cost savings, a potential increase in voter turnout, or another
1155 material reason.

1156 (c) Upon receipt of an application described in Subsection (14)(b), the lieutenant
1157 governor may approve the application if the lieutenant governor concludes that holding the
1158 elections at the regular general election is beneficial based on the criteria described in
1159 Subsection (14)(b)(ii).

1160 (d) If the lieutenant governor approves a board's application described in this section:

1161 (i) all future elections for membership on the board shall be held at the time of the
1162 regular general election; and

1163 (ii) the board may not hold elections at the time of a municipal general election unless
1164 the board receives permission from the lieutenant governor to hold all future elections for
1165 membership on the board at a municipal general election instead of a regular general election,
1166 under the same procedure, and by applying the same criteria, described in this Subsection (14).

1167 (15) (a) This Subsection (15) applies to a local district if:

1168 (i) the local district's board members are elected by the owners of real property, as
1169 provided in Subsection 17B-1-1402(1)(b); and

1170 (ii) the local district was created before January 1, 2020.

1171 (b) The board of a local district described in Subsection (15)(a) may conduct an
1172 election:

1173 (i) to fill a board member position that expires at the end of the term for that board
1174 member's position; and

1175 (ii) notwithstanding Subsection 20A-1-512(1)(a)(i), to fill a vacancy in an unexpired
1176 term of a board member.

1177 (c) An election under Subsection (15)(b) may be conducted as determined by the local
1178 district board, subject to Subsection (15)(d).

1179 (d) (i) The local district board shall provide to property owners eligible to vote at the
1180 local district election:

1181 (A) notice of the election; and

1182 (B) a form to nominate an eligible individual to be elected as a board member.

1183 (ii) (A) The local district board may establish a deadline for a property owner to submit
1184 a nomination form.

1185 (B) A deadline under Subsection (15)(d)(ii)(A) may not be earlier than 15 days after
1186 the board provides the notice and nomination form under Subsection (15)(d)(i).

1187 (iii) (A) After the deadline for submitting nomination forms, the local district board
1188 shall provide a ballot to all property owners eligible to vote at the local district election.

1189 (B) A local district board shall allow at least five days for ballots to be returned.

1190 (iv) A local district board shall certify the results of an election under this Subsection
1191 (15) during an open meeting of the board.

1192 Section 14. Section **17B-1-1102** is amended to read:

1193 **17B-1-1102. General obligation bonds.**

1194 (1) Except as provided in [~~Subsection (3)~~] Subsections (3) and (7), if a district intends
1195 to issue general obligation bonds, the district shall first obtain the approval of district voters for
1196 issuance of the bonds at an election held for that purpose as provided in Title 11, Chapter 14,
1197 Local Government Bonding Act.

1198 (2) General obligation bonds shall be secured by a pledge of the full faith and credit of
1199 the district, subject to:

1200 (a) for a water conservancy district, the property tax levy limits of Section
1201 **17B-2a-1006**; and

1202 (b) for a limited tax bond as defined in Section **17B-2a-1202** that a public
1203 infrastructure district issues, the property tax levy limits of Section **17B-2a-1209**.

1204 (3) A district may issue refunding general obligation bonds, as provided in Title 11,
1205 Chapter 27, Utah Refunding Bond Act, without obtaining voter approval.

1206 (4) (a) A local district may not issue general obligation bonds if the issuance of the
1207 bonds will cause the outstanding principal amount of all of the district's general obligation
1208 bonds to exceed the amount that results from multiplying the fair market value of the taxable
1209 property within the district, as determined under Subsection [11-14-301\(3\)\(b\)](#), by a number that
1210 is:

- 1211 (i) .05, for a basic local district, except as provided in Subsection (7);
- 1212 (ii) .004, for a cemetery maintenance district;
- 1213 (iii) .002, for a drainage district;
- 1214 (iv) .004, for a fire protection district;
- 1215 (v) .024, for an improvement district;
- 1216 (vi) .1, for an irrigation district;
- 1217 (vii) .1, for a metropolitan water district;
- 1218 (viii) .0004, for a mosquito abatement district;
- 1219 (ix) .03, for a public transit district;
- 1220 (x) .12, for a service area;
- 1221 (xi) .05 for a municipal services district; or
- 1222 (xii) except for a limited tax bond as defined in Section [17B-2a-1202](#), .15 for a public
1223 infrastructure district.

1224 (b) Bonds or other obligations of a local district that are not general obligation bonds
1225 are not included in the limit stated in Subsection (4)(a).

1226 (5) A district may not be considered to be a municipal corporation for purposes of the
1227 debt limitation of the Utah Constitution, Article XIV, Section 4.

1228 (6) Bonds issued by an administrative or legal entity created under Title 11, Chapter
1229 13, Interlocal Cooperation Act, may not be considered to be bonds of a local district that
1230 participates in the agreement creating the administrative or legal entity.

1231 (7) (a) As used in this Subsection (7), "property owner district" means a local district
1232 whose board members are elected by property owners, as provided in Subsection
1233 [17B-1-1402\(1\)\(b\)](#).

1234 (b) A property owner district may issue a general obligation bond with the consent of:

- 1235 (i) the owners of all property within the district; and
- 1236 (ii) all registered voters, if any, within the boundary of the district.
- 1237 (c) A property owner district may use proceeds from a bond issued under this
- 1238 Subsection (7) to fund:
- 1239 (i) the acquisition and construction of a system or improvement authorized in the
- 1240 district's creation resolution; and
- 1241 (ii) a connection outside the boundary of the district between systems or improvements
- 1242 within the boundary of the district.
- 1243 (d) The consent under Subsection (7)(b) is sufficient for any requirement necessary for
- 1244 the issuance of a general obligation bond.
- 1245 (e) A general obligation bond issued under this Subsection (7):
- 1246 (i) shall mature no later than 40 years after the date of issuance; and
- 1247 (ii) is not subject to the limit under Subsection (4)(a)(i).
- 1248 (f) (i) A property owner district may not issue a general obligation bond under this
- 1249 Subsection (7) if the issuance will cause the outstanding principal amount of all the district's
- 1250 general obligation bonds to exceed one-half of the market value of all real property within the
- 1251 district.
- 1252 (ii) Market value under Subsection (7)(f)(i) shall:
- 1253 (A) be based on the value that the real property will have after all improvements
- 1254 financed by the general obligation bonds are constructed; and
- 1255 (B) be determined by appraisal by an appraiser who is a member of the Appraisal
- 1256 Institute.
- 1257 (g) With respect to a general obligation bond issued under this Subsection (7), the
- 1258 board of a property owner district may, by resolution, delegate to one or more officers of the
- 1259 district, the authority to:
- 1260 (i) approve the final interest rate, price, principal amount, maturity, redemption
- 1261 features, and other terms of the bond;
- 1262 (ii) approve and execute a document relating to the issuance of the bond; and
- 1263 (iii) approve a contract related to the acquisition and construction of an improvement,
- 1264 facility, or property to be financed with proceeds from the bond.
- 1265 (h) (i) A person may commence a lawsuit or other proceeding to contest the legality of

1266 the issuance of a general obligation bond issued under this Subsection (7) or any provision
1267 relating to the security or payment of the bond if the lawsuit or other proceeding is commenced
1268 within 30 days after the publication of:

1269 (A) the resolution authorizing the issuance of the general obligation bond; or
1270 (B) a notice of the bond issuance containing substantially the items required under
1271 Subsection 11-14-316(2).

1272 (ii) Following the period described in Subsection (7)(h)(i), no person may bring a
1273 lawsuit or other proceeding to contest for any reason the regularity, formality, or legality of a
1274 general obligation bond issued under this Subsection (7).

1275 (i) (i) A property owner district that charges and collects an impact fee or other fee on
1276 real property at the time the real property is sold may proportionally pay down a general
1277 obligation bond issued under this Subsection (7) from the money collected from the impact fee
1278 or other fee.

1279 (ii) A property owner district that proportionally pays down a general obligation bond
1280 under Subsection (7)(i)(i) shall reduce the property tax rate on the parcel of real property on
1281 which the district charged and collected an impact fee or other charge, to reflect the amount of
1282 outstanding principal of a general obligation bond issued under this Subsection (7) that was
1283 paid down and is attributable to that parcel.

1284 (j) If a property owner fails to pay a property tax that the property owner district
1285 imposes in connection with a general obligation bond issued under this Subsection (7), the
1286 district may impose a property tax penalty at an annual rate of .07, in addition to any other
1287 penalty allowed by law.

1288 Section 15. Section **17B-2a-1202** is amended to read:

1289 **17B-2a-1202. Definitions.**

1290 As used in this part:

1291 (1) "Board" means the board of trustees of a public infrastructure district.

1292 (2) "Creating entity" means the county, municipality, or development authority that
1293 approves the creation of the public infrastructure district.

1294 (3) "Development authority" means:

1295 (a) the Utah Inland Port Authority created in Section 11-58-201; or

1296 (b) the military installation development authority created in Section 63H-1-201.

1297 (4) "District applicant" means the person proposing the creation of the public
1298 infrastructure district.

1299 (5) "Division" means a division of a public infrastructure district:

1300 (a) that is relatively equal in number of eligible voters or potential eligible voters to all
1301 other divisions within the public infrastructure district, taking into account existing or potential
1302 developments which, when completed, would increase or decrease the population within the
1303 public infrastructure district; and

1304 (b) which a member of the board represents.

1305 (6) "Governing document" means the document governing the public infrastructure
1306 district to which the creating entity agrees before the creation of the public infrastructure
1307 district, as amended from time to time, and subject to the limitations of Chapter 1, Provisions
1308 Applicable to All Local Districts, and this part.

1309 (7) (a) "Limited tax bond" means a bond:

1310 (i) that is directly payable from and secured by ad valorem property taxes that are
1311 levied:

1312 (A) by the public infrastructure district that issues the bond; and

1313 (B) on taxable property within the district;

1314 (ii) that is a general obligation of the public infrastructure district; and

1315 (iii) for which the ad valorem property tax levy for repayment of the bond does not
1316 exceed the property tax levy rate limit established under Section [17B-2a-1209](#) for any fiscal
1317 year, except as provided in Subsection [17B-2a-1207](#)(8).

1318 (b) "Limited tax bond" does not include:

1319 (i) a short-term bond;

1320 (ii) a tax and revenue anticipation bond; or

1321 (iii) a special assessment bond.

1322 (8) "Public infrastructure and improvements" means:

1323 (a) publicly owned infrastructure and improvements, as defined in Section [11-58-102](#),
1324 for a public infrastructure district created by the Utah Inland Port Authority created in Section
1325 [11-58-201](#); and

1326 (b) the same as that term is defined in Section [63H-1-102](#), for a public infrastructure
1327 district created by the military installation development authority created in Section [63H-1-201](#).

1328 Section 16. Section 17B-2a-1205 is amended to read:

1329 **17B-2a-1205. Public infrastructure district board -- Governing document.**

1330 (1) The legislative body or board of the creating entity shall appoint the members of the
1331 board, in accordance with the governing document.

1332 (2) (a) Unless otherwise limited in the governing document and except as provided in
1333 Subsection (2)(b), the initial term of each member of the board is four years.

1334 (b) Notwithstanding Subsection (2)(a), approximately half of the members of the initial
1335 board shall serve a six-year term so that, after the expiration of the initial term, the term of
1336 approximately half the board members expires every two years.

1337 (c) A board may elect that a majority of the board serve an initial term of six years.

1338 (d) After the initial term, the term of each member of the board is four years.

1339 (3) (a) Notwithstanding Subsection 17B-1-302(1)(b), a board member is not required
1340 to be a resident within the boundaries of the public infrastructure district if:

1341 (i) all of the surface property owners consent to the waiver of the residency
1342 requirement;

1343 (ii) there are no residents within the boundaries of the public infrastructure district;

1344 (iii) no qualified candidate timely files to be considered for appointment to the board;

1345 or

1346 (iv) no qualified individual files a declaration of candidacy for a board position in
1347 accordance with Subsection 17B-1-306[~~(4)~~](5).

1348 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the
1349 residency requirement in Subsection 17B-1-302(1)(b) is applicable to any board member
1350 elected for a division or board position that has transitioned from an appointed to an elected
1351 board member in accordance with this section.

1352 (c) An individual who is not a resident within the boundaries of the public
1353 infrastructure district may not serve as a board member unless the individual is:

1354 (i) an owner of land or an agent or officer of the owner of land within the boundaries of
1355 the public infrastructure district; and

1356 (ii) a registered voter at the individual's primary residence.

1357 (4) (a) A governing document may provide for a transition from legislative body
1358 appointment under Subsection (1) to a method of election by registered voters based upon

1359 milestones or events that the governing document identifies, including a milestone for each
1360 division or individual board position providing that when the milestone is reached:

1361 (i) for a division, the registered voters of the division elect a member of the board in
1362 place of an appointed member at the next municipal general election for the board position; or

1363 (ii) for an at large board position established in the governing document, the registered
1364 voters of the public infrastructure district elect a member of the board in place of an appointed
1365 member at the next municipal general election for the board position.

1366 (b) Regardless of whether a board member is elected under Subsection (4)(a), the
1367 position of each remaining board member shall continue to be appointed under Subsection (1)
1368 until the member's respective division or board position surpasses the density milestone
1369 described in the governing document.

1370 (5) (a) Subject to Subsection (5)(c), the board may, in the board's discretion but no
1371 more frequently than every four years, reestablish the boundaries of each division so that each
1372 division that has reached a milestone specified in the governing document, as described in
1373 Subsection (4)(a), has, as nearly as possible, the same number of eligible voters.

1374 (b) In reestablishing division boundaries under Subsection (5)(a), the board shall
1375 consider existing or potential developments within the divisions which, when completed,
1376 would increase or decrease the number of eligible voters within the division.

1377 (c) The governing document may prohibit the board from reestablishing, without the
1378 consent of the creating entity, the division boundaries as described in Subsection (5)(a).

1379 (6) The public infrastructure district may not compensate a board member for the
1380 member's service on the board under Section [17B-1-307](#) unless the board member is a resident
1381 within the boundaries of the public infrastructure district.

1382 (7) The governing document shall:

1383 (a) include a boundary description and a map of the public infrastructure district;

1384 (b) state the number of board members;

1385 (c) describe any divisions of the public infrastructure district;

1386 (d) establish any applicable property tax levy rate limit for the public infrastructure
1387 district;

1388 (e) establish any applicable limitation on the principal amount of indebtedness for the
1389 public infrastructure district; and

1390 (f) include other information that the public infrastructure district or the creating entity
1391 determines to be necessary or advisable.

1392 (8) (a) Except as provided in Subsection (8)(b), the board and the governing body of
1393 the creating entity may amend a governing document by each adopting a resolution that
1394 approves the amended governing document.

1395 (b) Notwithstanding Subsection (8)(a), any amendment to a property tax levy rate
1396 limitation requires the consent of:

1397 (i) 100% of surface property owners within the boundaries of the public infrastructure
1398 district; and

1399 (ii) 100% of the registered voters, if any, within the boundaries of the public
1400 infrastructure district.

1401 (9) A board member is not in violation of Section 67-16-9 if the board member:

1402 (a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8
1403 and files the disclosure with the creating entity:

1404 (i) before any appointment or election; and

1405 (ii) upon any significant change in the business relationship; and

1406 (b) conducts the affairs of the public infrastructure district in accordance with this title
1407 and any parameters described in the governing document.

1408 (10) Notwithstanding any other provision of this section, the governing document
1409 governs the number, appointment, and terms of board members of a public infrastructure
1410 district created by the development authority.

1411 Section 17. Section 17B-2a-1206 is amended to read:

1412 **17B-2a-1206. Additional public infrastructure district powers.**

1413 In addition to the powers conferred on a public infrastructure district under Section
1414 17B-1-103, a public infrastructure district may:

1415 (1) issue negotiable bonds to pay:

1416 (a) all or part of the costs of acquiring, acquiring an interest in, improving, or extending
1417 any of the improvements, facilities, or property allowed under Section 11-14-103;

1418 (b) capital costs of improvements in an energy assessment area, as defined in Section
1419 11-42a-102, and other related costs, against the funds that the public infrastructure district will
1420 receive because of an assessment in an energy assessment area, as defined in Section

1421 11-42a-102;

1422 (c) public improvements related to the provision of housing;

1423 (d) capital costs related to public transportation; and

1424 (e) for a public infrastructure district created by ~~the~~ a development authority, the cost
1425 of acquiring or financing ~~publicly owned~~ public infrastructure and improvements;

1426 (2) enter into an interlocal agreement in accordance with Title 11, Chapter 13,
1427 Interlocal Cooperation Act, provided that the interlocal agreement may not expand the powers
1428 of the public infrastructure district, within the limitations of Title 11, Chapter 13, Interlocal
1429 Cooperation Act, without the consent of the creating entity;

1430 (3) acquire completed or partially completed improvements for fair market value as
1431 reasonably determined by:

1432 (a) the board;

1433 (b) the creating entity, if required in the governing document; or

1434 (c) a surveyor or engineer that a public infrastructure district employs or engages to
1435 perform the necessary engineering services for and to supervise the construction or installation
1436 of the improvements;

1437 (4) contract with the creating entity for the creating entity to provide administrative
1438 services on behalf of the public infrastructure district, when agreed to by both parties, in order
1439 to achieve cost savings and economic efficiencies, at the discretion of the creating entity; and

1440 (5) for a public infrastructure district created by a development authority:

1441 (a) (i) operate and maintain ~~publicly owned~~ public infrastructure and improvements
1442 the district acquires or finances; and

1443 (ii) use fees, assessments, or taxes to pay for the operation and maintenance of those
1444 ~~publicly owned~~ public infrastructure and improvements; and

1445 (b) issue bonds under Title 11, Chapter 42, Assessment Area Act.

1446 Section 18. Section **63A-3-401.5** is enacted to read:

1447 **Part 4. Infrastructure Revolving Loan Funds**

1448 **63A-3-401.5. Definitions.**

1449 As used in this part:

1450 (1) "Borrower" means a person who borrows money from an infrastructure fund for an
1451 infrastructure project.

- 1452 (2) "Independent political subdivision" means:
1453 (a) the Utah Inland Port Authority created in Section [11-58-201](#);
1454 (b) the Point of the Mountain State Land Authority created in Section [11-59-201](#); or
1455 (c) the Military Installation Development Authority created in Section [63H-1-201](#).
1456 (3) "Infrastructure fund" means a fund created in Subsection [63A-3-402\(1\)](#).
1457 (4) "Infrastructure loan" means a loan of infrastructure fund money to finance an
1458 infrastructure project.
1459 (5) "Infrastructure project" means a project to acquire, construct, reconstruct,
1460 rehabilitate, equip, or improve public infrastructure and improvements:
1461 (a) within a project area; or
1462 (b) outside a project area, if the respective loan approval committee determines by
1463 resolution that the public infrastructure and improvements are of benefit to the project area.
1464 (6) "Inland port" means the same as that term is defined in Section [11-58-102](#).
1465 (7) "Inland port fund" means the infrastructure fund created in Subsection
1466 [63A-3-402\(1\)\(a\)](#).
1467 (8) "Military development fund" means the infrastructure fund created in Subsection
1468 [63A-3-402\(1\)\(c\)](#).
1469 (9) "Point of the mountain fund" means the infrastructure fund created in Subsection
1470 [63A-3-402\(1\)\(b\)](#).
1471 (10) "Project area" means:
1472 (a) the same as that term is defined in Section [11-58-102](#), for purposes of an
1473 infrastructure loan from the inland port fund;
1474 (b) the point of the mountain state land, as defined in Section [11-59-102](#), for purposes
1475 of an infrastructure loan from the point of the mountain fund; and
1476 (c) the same as that term is defined in Section [63H-1-102](#), for purposes of an
1477 infrastructure loan from the military development fund.
1478 (11) "Property tax revenue" means:
1479 (a) property tax differential, as defined in Section [11-58-102](#), for purposes of an
1480 infrastructure loan from the inland port fund; or
1481 (b) property tax allocation, as defined in Section [63H-1-102](#), for purposes of an
1482 infrastructure loan from the military development fund.

- 1483 (12) "Public infrastructure and improvements":
1484 (a) for purposes of an infrastructure loan from the inland port fund:
1485 (i) means publicly owned infrastructure and improvements, as defined in Section
1486 11-58-102; and
1487 (ii) includes an inland port facility; and
1488 (b) means the same as that term is defined in Section 63H-1-102, for purposes of an
1489 infrastructure loan from the military development fund.
1490 (13) "Respective loan approval committee" means:
1491 (a) the committee created in Section 11-58-106, for purposes of an infrastructure loan
1492 from the inland port fund;
1493 (b) the committee created in Section 11-59-104, for purposes of an infrastructure loan
1494 from the point of the mountain fund; and
1495 (c) the committee created in Section 63H-1-104, for purposes of an infrastructure loan
1496 from the military development fund.
1497 Section 19. Section **63A-3-402** is enacted to read:
1498 **63A-3-402. Infrastructure funds established -- Purpose of funds -- Use of money**
1499 **in funds.**
1500 (1) There are created, as enterprise revolving loan funds:
1501 (a) the inland port infrastructure revolving loan fund;
1502 (b) the point of the mountain infrastructure revolving loan fund; and
1503 (c) the military development infrastructure revolving loan fund.
1504 (2) The purpose of each infrastructure fund is to provide funding, through
1505 infrastructure loans, for infrastructure projects undertaken by a borrower.
1506 (3) (a) Money in an infrastructure fund may be used only to provide loans for
1507 infrastructure projects.
1508 (b) The division may not loan money in an infrastructure fund without the approval of
1509 the respective loan approval committee.
1510 Section 20. Section **63A-3-403** is enacted to read:
1511 **63A-3-403. Money in infrastructure funds.**
1512 (1) Money in each of the infrastructure funds shall be kept separate and accounted for
1513 separately from money in the other infrastructure funds.

1514 (2) Each infrastructure fund includes money:
1515 (a) appropriated to that fund by the Legislature;
1516 (b) transferred to the fund from the State Infrastructure Bank Fund created in Section
1517 72-2-202, if applicable;
1518 (c) from federal, state, or other public grants or contributions;
1519 (d) that an independent political subdivision transfers to the fund from other money
1520 available to the independent political subdivision;
1521 (e) contributed or granted to the infrastructure fund from a private source; and
1522 (f) collected from repayments of loans of infrastructure fund money.
1523 (3) In addition to money identified in Subsection (2), the military development fund
1524 includes money repaid after May 5, 2021 from a loan under Subsection 63B-27-101(3)(a).
1525 (4) (a) Each infrastructure fund shall earn interest.
1526 (b) All interest earned on infrastructure fund money shall be deposited into the
1527 respective infrastructure fund and included in the money of the infrastructure fund available to
1528 be loaned.
1529 (5) The state treasurer shall invest infrastructure fund money as provided in Title 51,
1530 Chapter 7, State Money Management Act.
1531 Section 21. Section **63A-3-404** is enacted to read:
1532 **63A-3-404. Loan agreement.**
1533 (1) (a) A borrower that borrows money from an infrastructure fund shall enter into a
1534 loan agreement with the division for repayment of the money.
1535 (b) (i) A loan agreement under Subsection (1)(a) shall be secured by:
1536 (A) bonds, notes, or another evidence of indebtedness validly issued under state law; or
1537 (B) revenue generated from an infrastructure project.
1538 (ii) The security provided under Subsection (1)(b)(i) may include the borrower's pledge
1539 of some or all of a revenue source that the borrower controls.
1540 (c) The respective loan approval committee may determine that property tax revenue or
1541 revenue from the infrastructure project for which the infrastructure loan is obtained is sufficient
1542 security for an infrastructure loan.
1543 (2) An infrastructure loan shall bear interest at a rate not to exceed .5% above bond
1544 market interest rates available to the state.

1545 (3) (a) Subject to Subsection (3)(b), the respective loan approval committee shall
1546 determine the length of term of an infrastructure loan.

1547 (b) If the security for an infrastructure loan is property tax revenue, the repayment
1548 terms of the infrastructure loan agreement shall allow sufficient time for the property tax
1549 revenue to generate sufficient money to cover payments under the infrastructure loan.

1550 (4) An infrastructure loan agreement may provide for a portion of the loan proceeds to
1551 be applied to a reserve fund to secure repayment of the infrastructure loan.

1552 (5) (a) If a borrower fails to comply with the terms of an infrastructure loan agreement,
1553 the division may:

1554 (i) seek any legal or equitable remedy to obtain:

1555 (A) compliance with the agreement; or

1556 (B) the payment of damages; and

1557 (ii) request a state agency with money due to the borrower to withhold payment of the
1558 money to the borrower and instead to pay the money to the division to pay any amount due
1559 under the infrastructure loan agreement.

1560 (b) A state agency that receives a request from the division under Subsection (5)(a)(ii)
1561 shall pay to the division the money due to the borrower to the extent of the amount due under
1562 the infrastructure loan agreement.

1563 (6) Upon approval from the respective loan approval committee, the division shall loan
1564 money from an infrastructure fund according to the terms established by the respective loan
1565 approval committee.

1566 (7) (a) The division shall administer and enforce an infrastructure loan according to the
1567 terms of the infrastructure loan agreement.

1568 (b) (i) Beginning May 5, 2021, the division shall assume responsibility from the State
1569 Infrastructure Bank Fund for servicing the loan under Subsection [63B-27-101\(3\)\(a\)](#).

1570 (ii) Payments due after May 5, 2021 under the loan under Subsection [63B-27-101\(3\)\(a\)](#)
1571 shall be made to the division rather than to the State Infrastructure Bank Fund, to be deposited
1572 into the military development fund.

1573 Section 22. Section **63H-1-102** is amended to read:

1574 **63H-1-102. Definitions.**

1575 As used in this chapter:

1576 (1) "Authority" means the Military Installation Development Authority, created under
1577 Section 63H-1-201.

1578 (2) "Base taxable value" means:

1579 (a) for military land or other land that was exempt from a property tax at the time that a
1580 project area was created that included the military land or other land, a taxable value of zero; or

1581 (b) for private property that is included in a project area, the taxable value of the
1582 property within any portion of the project area, as designated by board resolution, from which
1583 the property tax allocation will be collected, as shown upon the assessment roll last equalized:

1584 (i) before the year in which the authority creates the project area; or

1585 (ii) before the year in which the project area plan is amended, for property added to a
1586 project area by an amendment to a project area plan.

1587 (3) "Board" means the governing body of the authority created under Section
1588 63H-1-301.

1589 (4) (a) "Dedicated tax collections" means the property tax that remains after the
1590 authority is paid the property tax allocation the authority is entitled to receive under Subsection
1591 63H-1-501(1), for a property tax levied by:

1592 (i) a county, including a district the county has established under Subsection 17-34-3(2)
1593 to levy a property tax under Title 17, Chapter 34, Municipal-Type Services to Unincorporated
1594 Areas; or

1595 (ii) an included municipality.

1596 (b) "Dedicated tax collections" does not include a county additional property tax or
1597 multicounty assessing and collecting levy imposed in accordance with Section 59-2-1602.

1598 (5) (a) "Development" means an activity occurring:

1599 (i) on land within a project area that is owned or operated by the military, the authority,
1600 another public entity, or a private entity; or

1601 (ii) on military land associated with a project area.

1602 (b) "Development" includes the demolition, construction, reconstruction, modification,
1603 expansion, or improvement of a building, facility, utility, landscape, parking lot, park, trail, or
1604 recreational amenity.

1605 (6) "Development project" means a project to develop land within a project area.

1606 (7) "Elected member" means a member of the authority board who:

- 1607 (a) is a mayor or member of a legislative body appointed under Subsection
1608 63H-1-302(2)(b); or
- 1609 (b) (i) is appointed to the authority board under Subsection 63H-1-302(2)(a) or (3); and
1610 (ii) concurrently serves in an elected state, county, or municipal office.
- 1611 (8) "Included municipality" means a municipality, some or all of which is included
1612 within a project area.
- 1613 (9) (a) "Military" means a branch of the armed forces of the United States, including
1614 the Utah National Guard.
- 1615 (b) "Military" includes, in relation to property, property that is occupied by the military
1616 and is owned by the government of the United States or the state.
- 1617 (10) "Military Installation Development Authority accommodations tax" or "MIDA
1618 accommodations tax" means the tax imposed under Section 63H-1-205.
- 1619 (11) "Military Installation Development Authority energy tax" or "MIDA energy tax"
1620 means the tax levied under Section 63H-1-204.
- 1621 (12) "Military land" means land or a facility, including leased land or a leased facility,
1622 that is part of or affiliated with a base, camp, post, station, yard, center, or installation under the
1623 jurisdiction of the United States Department of Defense, the United States Department of
1624 Veterans Affairs, or the Utah National Guard.
- 1625 (13) "Municipal energy tax" means a municipal energy sales and use tax under Title
1626 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act.
- 1627 (14) "Municipal services revenue" means revenue that the authority:
- 1628 (a) collects from the authority's:
- 1629 (i) levy of a municipal energy tax;
- 1630 (ii) levy of a MIDA energy tax;
- 1631 (iii) levy of a telecommunications tax;
- 1632 (iv) imposition of a transient room tax; and
- 1633 (v) imposition of a resort communities tax;
- 1634 (b) receives under Subsection 59-12-205(2)(b)(ii); and
- 1635 (c) receives as dedicated tax collections.
- 1636 (15) "Municipal tax" means a municipal energy tax, MIDA energy tax, MIDA
1637 accommodations tax, telecommunications tax, transient room tax, or resort communities tax.

1638 (16) "Project area" means the land, including military land, whether consisting of a
1639 single contiguous area or multiple noncontiguous areas, described in a project area plan or draft
1640 project area plan, where the development project set forth in the project area plan or draft
1641 project area plan takes place or is proposed to take place.

1642 (17) "Project area budget" means a multiyear projection of annual or cumulative
1643 revenues and expenses and other fiscal matters pertaining to a project area that includes:

1644 (a) the base taxable value of property in the project area;

1645 (b) the projected property tax allocation expected to be generated within the project
1646 area;

1647 (c) the amount of the property tax allocation expected to be shared with other taxing
1648 entities;

1649 (d) the amount of the property tax allocation expected to be used to implement the
1650 project area plan, including the estimated amount of the property tax allocation to be used for
1651 land acquisition, public improvements, infrastructure improvements, and loans, grants, or other
1652 incentives to private and public entities;

1653 (e) the property tax allocation expected to be used to cover the cost of administering
1654 the project area plan;

1655 (f) if the property tax allocation is to be collected at different times or from different
1656 portions of the project area, or both:

1657 (i) (A) the tax identification numbers of the parcels from which the property tax
1658 allocation will be collected; or

1659 (B) a legal description of the portion of the project area from which the property tax
1660 allocation will be collected; and

1661 (ii) an estimate of when other portions of the project area will become subject to
1662 collection of the property tax allocation; and

1663 (g) for property that the authority owns or leases and expects to sell or sublease, the
1664 expected total cost of the property to the authority and the expected selling price or lease
1665 payments.

1666 (18) "Project area plan" means a written plan that, after the plan's effective date, guides
1667 and controls the development within a project area.

1668 (19) (a) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4,

1669 Privilege Tax, except as described in Subsection (19)(b), and each levy on an ad valorem basis
1670 on tangible or intangible personal or real property.

1671 (b) "Property tax" does not include a privilege tax on the taxable value:

1672 (i) attributable to a portion of a facility leased to the military for a calendar year when:

1673 (A) a lessee of military land has constructed a facility on the military land that is part of
1674 a project area;

1675 (B) the lessee leases space in the facility to the military for the entire calendar year; and

1676 (C) the lease rate paid by the military for the space is \$1 or less for the entire calendar

1677 year, not including any common charges that are reimbursements for actual expenses; or

1678 (ii) of the following property owned by the authority, regardless of whether the
1679 authority enters into a long-term operating agreement with a privately owned entity under
1680 which the privately owned entity agrees to operate the property:

1681 (A) a hotel;

1682 (B) a hotel condominium unit in a condominium project, as defined in Section 57-8-3;

1683 and

1684 (C) a commercial condominium unit in a condominium project, as defined in Section

1685 57-8-3.

1686 (20) "Property tax allocation" means the difference between:

1687 (a) the amount of property tax revenues generated each tax year by all taxing entities
1688 from the area within a project area designated in the project area plan as the area from which
1689 the property tax allocation is to be collected, using the current assessed value of the property;
1690 and

1691 (b) the amount of property tax revenues that would be generated from that same area
1692 using the base taxable value of the property.

1693 (21) "Public entity" means:

1694 (a) the state, including each department or agency of the state; or

1695 (b) a political subdivision of the state, including a county, city, town, school district,
1696 local district, special service district, or interlocal cooperation entity, including the authority.

1697 (22) (a) [~~"Publicly owned~~] "Public infrastructure and improvements" means
1698 infrastructure, improvements, facilities, or buildings that:

1699 (i) benefit the public, the authority, the military, or military-related entities [~~and are~~];

1700 and

1701 ~~[(†)]~~ (ii) (A) are publicly owned by the military, the authority, a public infrastructure
1702 district under Title 17B, Chapter 2a, Part 12, Public Infrastructure District Act, or another
1703 public entity;

1704 ~~[(†)]~~ (B) are owned by a utility; or

1705 ~~[(††)]~~ (C) are publicly maintained or operated by the military, the authority, or another
1706 public entity.

1707 (b) "Public infrastructure and improvements" also means infrastructure, improvements,
1708 facilities, or buildings that:

1709 (i) are privately owned; and

1710 (ii) provide a substantial benefit, as determined by the board, to the development and
1711 operation of a project area.

1712 ~~[(b)]~~ (c) ~~["Publicly owned"]~~ "Public infrastructure and improvements" includes:

1713 (i) facilities, lines, or systems that harness geothermal energy or provide water, chilled
1714 water, steam, sewer, storm drainage, natural gas, electricity, or telecommunications;

1715 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
1716 facilities, public transportation facilities, and parks, trails, and other recreational facilities;

1717 (iii) snowmaking equipment and related improvements that can also be used for water
1718 storage or fire suppression purposes; and

1719 (iv) a building and related improvements for occupancy by the public, the authority, the
1720 military, or military-related entities.

1721 (23) "Remaining municipal services revenue" means municipal services revenue that
1722 the authority has not:

1723 (a) spent during the authority's fiscal year for municipal services as provided in
1724 Subsection [63H-1-503\(1\)](#); or

1725 (b) redirected to use in accordance with Subsection [63H-1-502\(3\)](#).

1726 (24) "Resort communities tax" means a sales and use tax imposed under Section
1727 [59-12-401](#).

1728 (25) "Taxable value" means the value of property as shown on the last equalized
1729 assessment roll.

1730 (26) "Taxing entity":

- 1731 (a) means a public entity that levies a tax on property within a project area; and
- 1732 (b) does not include a public infrastructure district that the authority creates under Title
- 1733 17B, Chapter 2a, Part 12, Public Infrastructure District Act.
- 1734 (27) "Telecommunications tax" means a telecommunications license tax under Title
- 1735 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act.
- 1736 (28) "Transient room tax" means a tax under Section [59-12-352](#).
- 1737 Section 23. Section **63H-1-104** is enacted to read:
- 1738 **63H-1-104. Loan approval committee -- Approval of infrastructure loans.**
- 1739 (1) As used in this section:
- 1740 (a) "Borrower" means the same as that term is defined in Section [63A-3-401.5](#).
- 1741 (b) "Infrastructure loan" means the same as that term is defined in Section
- 1742 [63A-3-401.5](#).
- 1743 (c) "Infrastructure project" means the same as that term is defined in Section
- 1744 [63A-3-401.5](#).
- 1745 (d) "Military development fund" means the same as that term is defined in Section
- 1746 [63A-3-401.5](#).
- 1747 (e) "Loan approval committee" means a committee consisting of:
- 1748 (i) the board member who is appointed by the governor under Subsection
- 1749 [63H-1-302\(2\)\(a\)](#);
- 1750 (ii) the board member who is appointed by the governor under Subsection
- 1751 [63H-1-302\(2\)\(c\)](#);
- 1752 (iii) the board members who are appointed by the president of the Senate and the
- 1753 speaker of the House of Representatives under Subsection [63H-1-302\(3\)](#); and
- 1754 (iv) a voting or nonvoting board member designated by the board.
- 1755 (2) The loan approval committee may approve an infrastructure loan from the military
- 1756 development fund to a borrower for an infrastructure project undertaken by the borrower.
- 1757 (3) The loan approval committee shall establish the terms of an infrastructure loan in
- 1758 accordance with Section [63A-3-404](#).
- 1759 (4) The loan approval committee may establish policies and guidelines with respect to
- 1760 prioritizing requests for infrastructure loans and approving infrastructure loans.
- 1761 (5) Beginning May 5, 2021, the loan approval committee shall assume jurisdiction

1762 from the State Infrastructure Bank Fund relating to the terms of a loan under Subsection
1763 63B-27-101(3)(a).

1764 (6) Within 60 days after the execution of an infrastructure loan, the loan approval
1765 committee shall report the infrastructure loan, including the loan amount, terms, and security,
1766 to the Executive Appropriations Committee.

1767 (7) (a) A meeting of the loan approval committee does not constitute a meeting of the
1768 board, even if a quorum of the board is present at a loan approval committee meeting.

1769 (b) A quorum of board members present at a meeting of the loan approval committee
1770 may not conduct board business at the loan approval committee meeting.

1771 (8) (a) Salaries and expenses of committee members who are legislators shall be paid
1772 in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator
1773 Compensation.

1774 (b) A committee member who is not a legislator may not receive compensation or
1775 benefits for the member's service on the committee, but may receive per diem and
1776 reimbursement for travel expenses incurred as a committee member at the rates established by
1777 the Division of Finance under:

1778 (i) Sections 63A-3-106 and 63A-3-107; and

1779 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1780 63A-3-107.